THE CUSTOMER RELATIONSHIP MANAGEMENT SOLUTIONS GUIDE

Independent Reviews of CRM Products

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The *CRM Solutions Guide* is a free report for CRMGuru's members. Since we published the first *Guide* in October 2000, we've continued to update our coverage of CRM products, plus added advice to select products to best meet the needs of your business.

These are independent reviews of important vendors, which were picked based on the expert opinions of the reviewers and CRMGuru editorial staff. Please note that there are dozens of other CRM vendors that could be considered "leading" in their target markets. This *Guide* does not include vendors specializing in all application niches or industry verticals.

While CRMGuru.com believes the vendors included in this *Guide* are options worth considering in your CRM projects, **please don't view this report as a "preferred vendor list" or an endorsement of any kind. It's not. Furthermore, CRM vendors should not use their inclusion in this *Guide* for any marketing purposes whatsoever.**

Regards,

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A GUIDE TO EVALUATING CRM SOFTWARE

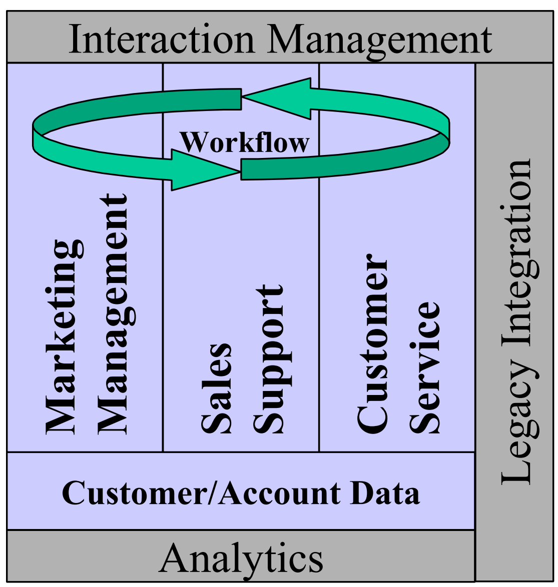
by Jay Chang, Structured Chaos, Inc.

One of the most popular questions I receive is some variation on "How do I evaluate CRM software?" Many seek a detailed checklist of functional specifications against which every package can be measured and weighed, and the winner easily quantified and defended. This is a typically IT-oriented viewpoint. The easy part of a CRM evaluation is boiling down a wish list of functional capability into a series of yes/no responses. The **hard** part is trying to figure out that list in the first place. A product may have everything you want on that checklist, and more. Like they say on TV, "It slices! It dices! It cuts through cans!" Of course, such lists are typically missing the most important question, which is "what is the business need?"

CRM projects are highly complex. With CRM, you are attempting a sea change in the way you relate to your customer, much like ERP was a sea change in how you organize and operate your business. However, unlike ERP, which dealt with primarily back-office functions that required customization of a set of fairly structured systems, CRM deals with a series of processes and functions that every company considers unique. After all, there are only so many ways to manage your supply chain and a general ledger is a general ledger no matter what the industry. But how a company markets, sells, and manages its most important asset – its customers – is highly variable. This can be seen in the wide variety of vendors in the space, and the variation between similar products in the same market niche.

The Evaluation Process

So how do you evaluate a universe as varied as that of CRM? The most important evaluation criteria have nothing to do with server platform, processor requirements, or any of the other usual "techie" criteria. Instead, CRM requirements definition starts with business need. More importantly, it requires an envisioning of "to-be" processes rather than "as-is" processes. Once the envisioning process is stable, you can begin to decide what the product-specific functional needs may be. Product selection is almost ancillary compared to the process change that a large scale CRM implementation will bring to multiple organizations within your company. Once those are resolved, it becomes a matter of wading through the CRM product marketplace in search of appropriate vendors.



This figure represents CRM functionality as it applies to a prototypical enterprise. While simplistic, it allows you to focus on either specific aspects of CRM or look at overall functionality. It also shows how the various organizations fit with each other and illustrates why CRM projects are so complex. Note that the traditional front office stovepipes can (if desired) have common but separate definitions of "customer," and that the stovepipes can be extended thru to all levels of the graphic. Thus, for example, I can examine a marketing package in terms of its interaction management capabilities, its marketing-specific workflow functions, and its data repository. I can also look at that package's ability to do marketing-specific analysis and integrate with legacy sales, CSS, and back-end applications. However, it is the merging of these definitions and functions into one common repository that brings CRM's true power to light. The areas in blue are what are typically viewed as being CRM functions; the gray areas are expansions of CRM that some vendors are using to sell their packages. I'll start with the areas in blue and then discuss the gray areas later.

At the heart of the CRM solution is data. That data represents an organization's customers and it is vital to the success of a CRM effort that everyone has the same understanding and definition of "customer." A simple concept, but long hours and many dollars have been spent defining this to the satisfaction of the various data silos that comprise most companies. Supported by the customer data are the functions that are specific to Marketing, Sales, and Customer Service/Support (CSS). Each has a stake in what comprises a customer. Each views customers through different lenses. And each has specific requirements around what it takes to properly manage and support the business processes surrounding their view of "customer."

Marketing, Sales, and Customer Service

Marketing tends to look at customers through macro lenses. Despite all the talk about one-to-one marketing, marketing campaigns are targeted at relatively large classes of people. The granularity of these classes can vary, but they are still aggregated groups of demographic characteristics. No marketing department ever created a campaign for Jay Chang – they created a campaign that targeted Asian males between the ages of 25 and 35 who have a propensity for buying the latest electronic gadgets, much to the consternation of the family budget. It just so happens that I fall into that demographic and so am highly susceptible to those types of pitches. While personalization is an aspect of marketing, it is not marketing in the true sense – crafting a specific, individualized pitch to woo the prospect. Personalization is more like targeted browsing. From a marketing perspective, it allows the marketer to simulate a closer bond between the company and the prospect.

Sales functions tend to be much more individually focused. To the sales rep, it's all one-to-one interaction and a good salesman is a master of personalization as well as targeted pitches. Sales reps only care about tools that help them sell. Tell a rep a tool will help the central office track his activities and I can almost guarantee that tool will never be used. But tell a rep the tool will let her make three extra calls a day or spend an extra five hours a week in the field meeting her customers and you stand a fighting chance of getting her to use that tool. The biggest bane of SFA projects has been that the tools don't aid in the selling per-se – rather, it assists in the management of the sale, an important but distinct concept.

CSS agents look at how to maximize their time. Since call centers are typically monitored by throughput (number of calls per hour and the like), agents want to be able to close calls as efficiently as possible. Secondary measures such as cross sales presentations and up-sell volumes can also be used, but outside of the financial services industry, these are not common. Thus, for CSS organizations, the critical components are those that present relevant contextual information quickly and efficiently. Also critical are simple interfaces that allow rapid training. This is due to the high levels of turnover associated with many CSS organizations. To the agent, a customer can exist in a total vacuum – with no prior knowledge, the good CSS agent establishes a connection with the customer, resolves their issue and cements a solid relationship association to the corporate entity. This is a huge challenge since most interactions start out non-committal at best and antagonistic at worst.

Workflow Automation and Interaction Management

Within and between these various functions is the concept of workflow automation. Workflow is the linkage both within each set of organizational functions as well as the linkage between organizations. These are typified by paper or electronic transfers. Old-line companies tend to use paper processes (whether the papershuffling is done online or off doesn't matter). More advanced companies use intelligent routing of information to make informed decisions. Using workflow allows business rules to be encapsulated into a centralized repository, rather than distributing it out to the individual organizations. Properly implemented, workflow can allow organizational knowledge to live within the company, rather than within the heads of individuals. It also allows for a centralized point from which to make changes to those processes. Workflow can serve as an integration function as well.

The last component of a CRM solution is interaction management. As organizations have grown and technologies have advanced, the numbers of potential touchpoints between customer and company have grown as well. Before 1990, I would suggest that 75% of all interactions consisted of phone calls, with the remainder being split between letters and FAX transmissions. Today, customers can call, email, FAX, chat, page…the list is rather extensive. To be truly service-oriented, and to preserve a common representation of customer, all of these touchpoints should connect into the customer repository, recording each interaction and its intent.

Note that I make a distinction between Interaction Management and Account Management. Account Management is a more macro process, whereby customer account-level information is shared across multiple business units within the same company. For example, the typical bank may have a mortgage department, a financial services department, and an insurance department in addition to the basic bank branch department. In account management, all these departments share information about the customer using a common customer accounts database. I am reminded of an ad campaign where a mortgage applicant expresses his frustration at his mortgage company's inability to view his checking account information (held at that same bank) by making a large withdraw and closing his account. Account management would prevent this.

Interaction management, on the other hand, involves recording the details of each contact no matter what the medium into a centralized or non-centralized database. Each email, phone call, FAX, chat, etc. is recorded in a logical thread so that the history of that customer can be recreated at any point. Note that it is eminently possible to have Interaction Management without Account Management and vice versa. Many companies have specific call centers associated with specific departments. The best efficiencies arise when Interaction Management is combined with Account Management.

Data Analysis and Legacy Integration

As ancillary/supporting functions, Data Analysis and Legacy Integration can play large or small roles in the context of a CRM implementation. Analytics is becoming more and more critical to the understanding of customer behavior. As the granularity of data collection and monitoring increases, the ability to detect trends and patterns within that data becomes more and more important but more and more difficult. Highly complex CRM implementations require highly complex analytics capabilities. The more advanced CRM packages either contain this functionality or partner with companies that provide such functionality.

Likewise, CRM packages are starting to extend tendrils to other parts of the organization outside of the traditional front office functions. CRM/ERP implementations are not atypical and indeed any company that has made a large investment in ERP should closely link CRM activities to that investment. This function is typically filled by Enterprise Application Integration (EAI) packages, but some of the more advanced CRM software vendors are including hooks into specific external applications such as SAP, Peoplesoft, or Oracle. This function also serves to tie new functionality into existing infrastructure architectures, primarily around PBX/ACD systems and email systems. This becomes important for companies that have large investments in call center equipment.

Note that this viewpoint basically treats each major set of components as a series of Lego™ blocks. You can examine a package based on a joined set of blocks, or select the best block for each and examine the fit between the blocks. Similarly, the data analysis layer and the legacy integration layer allow you to isolate those functions and use third-party packages as desired to meet those specific needs.

Evaluation Methodology

Finally, when I get to the actual evaluation process, I use a general two-parameter matrix to evaluate functional requirements against product capability. The list of functional requirements provides a baseline. The project team creates the first parameter. Each functional requirement is weighted as "must-have', "nice-to-have," and "optional." The project team evaluates the weighting associated with each requirement.

Product Evaluation

VALUE OF REQUIREMENT = Requirement Priority
* Vendor Capability to Deliver Requirement

WHERE Requirement Priority is:
HIGH (3 points)
MEDIUM (2 points)
LOW/NICE TO HAVE (1 point)

and Vendor Capability is:
DELIVERED WITH PRODUCT (4 points)
REQUIRES SLIGHT MODIFICATION (3 points)
REQUIRES HEAVY CUSTOMIZATION (1 point)
NOT AVAILABLE/POSSIBLE (0 points)
Allowing for a range of 0 to 12 points per function.

The functional requirements also serve as the basis for the RFI/RFP process. The vendors create the second parameter. Each vendor is asked to indicate whether their product incorporates the function, requires slight customization to incorporate the function, requires extensive customization or third-party products to support the function, or does not support the function. In the evaluation process, the weight of the function is applied to the vendor's ability to support that function to give a weighted value for each functional requirement. The sum total of each vendor's weighted scores provides a way to evaluate the overall functionality of the product against the team's specific needs. In addition, the functional requirements can be grouped into function sets, and the function sets given weights of their own. Thus, if interaction management functionality is more important than marketing program management, the functions associated with interaction management can be super-weighted accordingly.

The advantage of this approach is that it's general enough to be used for just about any product but can be made specific enough to drill down to very low levels of detail. Good luck in your selection!

About the Author

Jay Chang has over ten years of information technology experience focusing on the pharmaceuticals industry. He has worked for consulting organizations and Fortune 500 companies, serving a variety of roles from developer to architect. He currently works as an independent consultant focusing on project management, technology assessment, and business process analysis. Jay can be reached at jaychang@structuredchaos.com

MULTI-FUNCTION CRM SUITES FOR MEDIUM TO LARGE ENTERPRISES

By CRMGuru.com

Applix (iCRM)

Applix seems to have repositioned itself as a half CRM, half analytics company. Since customer data is often at the core of any company's data analysis, synergies exist between its two product lines – iCRM and iPlanning. iCRM has four main subcomponents – iSales, iService, iHelpdesk and iCustomerInsight. Sales force automation and some marketing functionality are offered in the iSales suite. iService delivers basic service and support functionality along with a web self-service option that gives customers access to a knowledge base. iHelpdesk is an internally focused application designed for IT staffs. Lastly, Applix recently introduced iCustomerInsight, an integrated customer analysis application. The company touts its low total cost of ownership (TCO) derived from its ease of customization, simple implementation, and "zero-client" feature. Lacking from Applix's application offerings is support for e-commerce, partners, field service, and e-marketing. Analytics are the company's real differentiator. Traditionally focused on the small business segment of the market, Applix's low TCO positioning works nicely in this space – though a word of warning, Microsoft recently announced plans to target this segment with its own CRM suite. www.applix.com

Chordiant (Chordiant 5)

Chordiant targets its CRM solution at global business-to-consumer enterprises (B2C). Its suite of applications includes Chordiant 5 Marketing, Chordiant 5 Selling & Services, and Chordiant 5 Enterprise Platform. Chordiant 5 Marketing includes support for marketing campaigns that can be deployed across any media channel (direct mail, telesales, and print and broadcast advertising). Additionally, it includes an optimization tool as well as a business intelligence module. Chordiant 5 Selling & Services is composed of two suites: Chordiant 5 Advisor and Chordiant 5 Call Center Advisor. The company's core strength has been its high volume capacity call center applications. The applications are built on "JX Architecture," which Chordiant describes as a hybrid of XML and J2EE. This open architecture is meant to make the applications easier to integrate with existing applications and quicker to implement. Through a robust integration layer, Chordiant 5 is able to extract and integrate data from external sources to create a unified customer database. Unlike most of its competitors, Chordiant focuses significant sales efforts outside the United States with over 70% of its revenue coming from Canada, Europe, and Australia. www.chordiant.com

Clarify (Amdocs Clarify CRM)

Once one of the high-flyers in the CRM market (along with Siebel and Vantive), Clarify's future is somewhat questionable. In late 2001, Amdocs acquired the assets of Clarify from Nortel Networks for $200 million in cash. Amdocs is a billing, order management and directory systems solution provider focused exclusively on the communications market. It will integrate Clarify's eFrontOffice suite with its existing CRM applications and target opportunities in the communications and IP industry exclusively. This, in effect, removes Clarify as a competitor outside this narrow industry focus. Therefore, going forward, Amdocs Clarify CRM should only be evaluated by communications companies. Additionally, existing Clarify customers who are not in the communications industry may well seek an alternative CRM vendor. Prior to the acquisition, Clarify was known as a leading CRM vendor with strong support for sales, marketing and service functions. Its one weakness has historically been in analytics that the company has handled through partnerships with companies such as Broadbase and Business Objects. www.amdocs.com

Epicor (eFrontOffice powered by Clientele)

Epicor concentrates on delivering its applications to small and medium sized companies. Its eFrontOffice application is available only for the Microsoft Windows 2000/NT platform. The company offers a fairly robust set of CRM applications: Epicor eSales and eMarketing, Epicor eSupport, Epicor eFrontOffice HelpDesk, Epicor eFrontOffice Conductor (workflow automation), and Epicor eFrontOffice Connector (data synchronization). The company maintains a confusing delineation between its Epicor brand and its Clientele brand. One website describes Epicor CRM products "powered by Clientele" and another separate website describes "Clientele – by Epicor." Drilling down on more detailed product information reveals identical information on each site. From a marketing perspective, the company may want to consider cleaner positioning. In addition to its CRM products, Epicor offers a complete back-office suite (manufacturing, financials, e-commerce, etc.), thus it can offer customers the advantage of easy front-office/back-office integration. Lastly, Epicor eIntelligence offers users a set of analysis tools that can access data throughout Epicor's eApplications. www.epicor.com

Onyx (Onyx Enterprise)

Onyx has taken a portal-centric approach to the CRM market. The company offers a web-architected application that supports the traditional CRM functions of sales, marketing and support, however, the company packages its applications in audience-specific portal products – Employee Portal, Customer Portal, and Partner Portal. The Employee Portal offers a single user interface for accessing sales, marketing, service and support applications. The Customer Portal has a strong self-service flavor. Customers and prospects access personalized marketing, sales and service information online, 24/7. Onyx is ahead of most of its competitors in offering robust support for partners. In fact, the company plans to release two new versions of Partner Portal in 2002. To address analytics, Onyx offers Cognos' solutions as its Business Intelligence offering. Historically a mid-market CRM player, Onyx has successfully evolved into a large enterprise vendor as well. Unfortunately, Onyx will face extremely tough competition from traditional large enterprise vendors such as Siebel, PeopleSoft, Oracle, and SAP. Onyx is readying to release Onyx 4.0 that may be the jumpstart the company needs to end declining license revenue numbers. www.onyx.com

Oracle (CRM 11i)

Part of its 11i eBusiness Suite, Oracle CRM includes Marketing, Sales, Service, Contracts, E-Commerce and Interaction Center. The marketing functionality supports online marketing, campaign planning and execution as well as trade management for B2B partner marketing promotions. Noteworthy functionality included in the sales suite is support for partners, sales compensation and collections. The service suite includes typical call center and web-based customer service as well as depot repair and mobile field service. Contracts manages sales and service contracts as well as project contracts. The e-commerce suite includes iStore, iPayment and configuration. The interaction center manages multi-channel customer interactions. Each suite includes a business intelligence component. Oracle, like the other ERP vendors touts the tight integration between its CRM and back-office applications (supply chain, financials, human resources, etc.). Although Oracle offers a complete CRM suite with some unique additions such as collections and contracts, the company has had some difficulty developing traction in the CRM space. In its favor, Oracle has a large installed base of ERP applications customers in which to sell its CRM products. www.oracle.com

PeopleSoft (PeopleSoft 8.4 CRM)

PeopleSoft has a broad CRM product suite of over 22 products covering sales, marketing and service processes. Its main product offering is most appropriate for large enterprises, however, the company has added PeopleSoft Accelerated CRM for small and mid-sized enterprises. Like the other ERP vendors who have entered the CRM market (i.e. Oracle and SAP), PeopleSoft has the advantage of offering integrated back-office and front-office applications. Unlike its ERP competitors, however, PeopleSoft recognizes the importance of integrating with non-PeopleSoft applications and includes enterprise integration points (EIP) designed for easy integration with third-party systems. PeopleSoft has embedded analytics to provide enterprise-wide information about customer behavior, business operations, and profitability throughout its CRM suite. Additionally, PeopleSoft offers strong mobile technology to support field service and sales personnel. Although the PeopleSoft's CRM offering is one of the broadest and most mature, missing from its suite is strong support for partner activities. Regardless, PeopleSoft currently poses one of the stronger strongest threats to Siebel's market dominance. PeopleSoft released an Internet architected CRM application months ahead of Siebel did. Although Siebel's dominance may be impossible to end completely, PeopleSoft seems poised well in the race for #2. www.peoplesoft.com

Pivotal (eBusiness and CRM Suite)

On the heels of a tough fiscal 2001 (ended June 30), Pivotal embarked on a "strategic transformation." Phase one involved replacing its CEO with ex-Deloitte CRM leader Bo Manning. Phases two and three involve a new internal structure focused on cost improvements and a new market focus. Pivotal now claims to target its products at "entrepreneurial enterprises," which the company defines as entities with at least $100 million in annual revenue who demand results. Pivotal's eBusiness and CRM suite is a mature and full-featured set of applications. Pivotal positions it as an integrated marketing, sales, service and support solution that works across all Web, wireless and traditional communication channels. The suite includes Pivotal Sales, Pivotal Service, Pivotal Marketing, Pivotal Collaboration Hubs, Pivotal eCommerce and Pivotal eBusiness Platform. In addition, Pivotal offers support for partners through its PartnerHub that extends sales, marketing, service and ordering capabilities to partners. eCommerce functionality is delivered in the Pivotal eSelling suite and includes guided selling. Lastly, a business intelligence suite offering modules for website data analysis, marketing analysis and sales analysis is available. All in all, the company seems to have the product offering to be successful, if it can execute and weather the economic environment. www.pivotal.com.

SAP (mySAP CRM 3.0)

Released in September 2001, SAP's mySAP CRM 3.0 offers products that span the entire customer interaction cycle. The suite covers the typical sales, marketing, and customer service areas. Additionally, SAP offers a robust set of order fulfillment modules (mostly borrowed from their ERP system). Its marketing suite (coined Customer Engagement by SAP) includes support for both traditional campaign management as well as Internet-based e-marketing. The sales functionality ("Business Transaction" in SAP terms) covers both the sales process (opportunity management, telesales, field sales) as well as e-commerce and configuration. Each of the major functional areas offers its own analytical application. Integration has always been a big issue for SAP. In the case of mySAP CRM, it is both a positive and a negative. On the positive side, SAP's CRM and ERP applications are highly integrated, offering tremendous benefit to those companies already using SAP R/3 ERP. The negative comes for enterprises not running R/3 on the back end. Those companies will lose some CRM functionality that is dependent upon linkages to SAP financial and order management applications. Additionally, more than half of the CRM application is still written in SAP's proprietary language making integration with non-SAP systems more difficult and costly. www.sap.com

Siebel (Siebel 7)

Siebel remains the gorilla in the CRM market, leading the high-end of the market with quarter after quarter of strong sales. Siebel has taken the traditional definition of CRM (applications for sales, marketing and support) and expanded it horizontally to include e-sales, configuration, partner relationship management, employee relationship management and more. In fact, with the release of Siebel 7, the company offers 200 application modules. Siebel is ahead of its competition in developing and delivering industry-specific versions of its application suites. Today, Siebel offers out-of-the-box support for 20 industries including healthcare, energy and automotive. In addition to growing its software offerings, Siebel has grown the services portion of its business through traditional application implementation services as well as through its sales methodology consulting practice. Siebel has ridden every technology and market wave – wireless, thin client, PRM, etc. – and managed to secure a strong position whether or not it was the first vendor to enter the particular space. In an effort to combat the integration advantage that vendors offering both ERP and CRM vendors offer (i.e. PeopleSoft, SAP), Siebel has delivered connectors that link into back-office applications from vendors such as Oracle, PeopleSoft and SAP. Siebel, however, remains a pricey choice in an economic environment of constrained IT budgets. www.siebel.com

CRM SOLUTIONS FOR A SMALL TO MEDIUM BUSINESSES

By Jay Curry

Introduction

"How can we find the CRM solution which best meets the needs of our company?" This is a frequently asked question posed to me as "SME Guru" at CRMGuru.com. My default-mode recommendation is to follow this five-step search strategy.

Step 1: Conduct a "CRM Quick Scan" of the leading solutions in your industry.

Industry-specific software often provides the best the best business process solutions for smaller companies. If you are a car dealer, you will be best served with car dealer software. The same holds true if you are a barber, insurance agent or widgets maker.

While most industry-specific solutions do not have extensive CRM functions, the situation is changing fast. The software you are now using may already have CRM functionality added in the last update.

To do a CRM Quick Scan of software in your industry you can

- Call your industry association headquarters to see if they have somebody on the payroll that can give you advice. After all, you're paying the dues.
- Visit the Web site of your industry association and search for "software" and "CRM."
- Consult your industry trade magazines and directories for consultants and software claiming CRM capabilities.
- Alternatively, click to www.google.com and search for "CRM software" + "(name of your industry)." You will be amazed at what pops up from all over the world!

Start a "long list" of CRM solution candidates with the output of this Quick Scan.

What are "Small" and "Medium-Size" Enterprises?

There are no globally accepted definitions of a "Small" or "Medium Size" Enterprise. Some countries set boundaries at 10, 50,100 or 250 employees. Others set revenue levels of $50, $100 and $250 million.

This paper uses the CRM-based definitions of SME's developed by www.crm4sme.com, the portal for users and vendors of CRM solutions in the SME marketplace:

- Enterprise: a business organization that is empowered to develop, select, purchase and implement CRM policies, processes and technologies. Thus an "enterprise" could be a SOHO office or a business unit of a Fortune 500 company.
- Small Enterprise: employs from 1 to 10 persons (marketers, sales people, service force, etc.) who now use--or would profit from using--a customer information system.
- Medium Size Enterprise: employs from 11 to 100 persons system (marketers, sales people, service force, call center folks, etc.) who now use--or would profit from using--a customer information system.
- Large Size Enterprise: employs more than 100 persons system (marketers, sales people, service force, call center folks, etc.) who now use--or would profit from using--a customer information system.

Step 2: Conduct an "Industry Quick Scan" of the leading CRM solutions that fit your budget.

Now turn the process around—identify CRM solutions that have proven successful in your industry.

This document is designed to help you along this track by giving you a Management Review and URL's of ten leading CRM solutions for SME's. Rank these solutions from one to seven and add your top three selections on your "long list."

Solution	Category
Act2000	Contact Manager
Goldmine Front Office	CRM Solution with an SFA History
Maximizer 7.0 Enterprise	CRM Solution with an SFA History
Commence RM	Low-end CRM Solution (USA)
SuperOffice	Low-end CRM Solution (Europe)
SalesLogix	Mid-Market CRM leader--USA
marketing.manager	Mid-Market CRM leader--Europe
UpShot.com	Hosted Solution
Salesforce	Hosted Solution
Salesnet	Hosted Solution

Step 3: Make your short list

Now is the time to cut down your "long list" to a "short list" of three candidates. Start by asking the vendors about their successes in your industry and the names and addresses of their "Business Partners"(dealers/resellers/distributors) nearest to you—and who have experience in your industry.

You can also click to www.crm4sme.com where a number of CRM software dealers and consultants have registered their industry expertise and experience. (Full Disclosure statement—the author of this article is the founder of this website☺)

Conduct (telephone) interviews with your long list candidates (vendors or "Business Partners" to attain a thorough view of his expertise and experience in the key areas: your industry, CRM and product knowledge. The top three candidates—the short list—will be evident.

Step 4: Visit reference sites

Don't make any commitments for CRM software or services until you can see the results in operation at a company that is similar to yours. And talk with the users of the system: salespeople, service people, and marketers. The "suits" who made the purchasing decision will not always admit they made the wrong choice.

Step 5: Go with your gut feeling.

You may have a hard time making the final selection of a CRM solution or vendor. In case of doubt, go with your gut feelings. Ask yourself "Which one of these vendors really understands me and my business?" The answer = the winner!

The following reviews provide an overview of some popular CRM solutions for small and medium-size enterprises (SME's). The purpose is to stimulate further research and develop a "long list" of product candidates, rather than to provide technical and functional comparisons. Pricing information—a moving target at best—should be considered as indicative. There are of course many more solutions available than are reviewed here. We will be adding and updating the entries on a continuing basis.

Interact Commerce Corp. (ACT!2000)

ACT! 2000 is the world's leading contact manager with more than 3.5 million users. And it keeps getting industry recognition, such as the "Best Contact Manager" prize by awarded PC World magazine in June 2001. While ACT! 2000 is not a complete CRM solution, it certainly deserves a place in the CRM Solutions Guide because it continues to help millions of SOHO companies and individuals (and also 11,200 corporations) manage the relationships with their customers.

ACT!2000	
Number of User Companies:	1,000,000
Number of End User:	3,500,000
Flagship Customers:	Fed Ex
License Fee per Copy:	$199 retail, $189 download
Contact:	www.interact.com

The product delivers the basic contact management functions: storing company and contact data, registration of activities and contacts, diary maintenance. It also provides a degree of sales (opportunity) management and pipeline analysis. But you won't find any campaign, marketing or service management functionality. This is not really a problem since most SOHO companies don't spend much time worrying about campaign, marketing and service management.

One secret to the (commercial) success of the ACT! product line is the widespread network of ACT! Consultants. The ACT! Consultants are themselves SOHO entrepreneurs who understand the joys and trials of running a small business. And to survive, they must serve their customers as value-added consultants and advisors since they can't make any money on selling the low-priced ACT! Product.

Conclusion: A candidate for every company seeking a contact manager—3.5 million people can't be wrong.

Front Range Solutions (Goldmine Front Office)

Goldmine Front Office is the latest release of the product that pioneered the Sales Force Automation (SFA) industry which has been upgraded with the addition of Service department functions from Heat®, its sister business unit.

Both Goldmine and Heat ® are business units of Front Range Solutions, which took over Goldmine several years ago.

Goldmine Front Office	
Number of User Companies:	4,500
Number of End Users:	100,000
Flagship Customers:	Bank One Corporation, Red Cross, Century 21, Pacific Bell
License Fees/Pricing:	About $500 per seat, depending on volume
Contact:	www.frontrange.com

Goldmine's contact and sales management functions have been crowned with many industry awards. And its "Automated Process" function can be configured for marketing campaigns. The Heat ® service management function has been highly praised.

Goldmine has a widespread "Business Partner" network and a wealth of add-on products to improve functionality and focus functionality on vertical industries.

Conclusion: Candidate for anyone with up to 100 users seeking tried-and true technology.

Multiactive (Maximizer 7.0 Enterprise)

Maximizer 7.0 Enterprise	
Number of User Companies:	5,500
Number of End Users:	35,000
Flagship Customers:	Siemens, Virgin Records Pennzoil
License Fees/Pricing:	"Pervasive" Platform: $499 per user Basic Server $1,995 + $699 per user Advanced Server $4,995
Contact:	www.maximizer.com

Maximizer 7.0 Enterprise is a new CRM solution with a long and interesting history.

Maximizer is a grandaddy in the contact manager/SFA space. Launched more than ten years ago, it has gained about 1,000,000 users. (The basic product is still out there at less than $200 per copy.)

Inspired by the ASP/Internet hype at the end of the century, Maximizer eperimented with a hosted version of the product but the customer base was simply not interested. Sales of the online product totaled: 38.

Under the turn-around leadership of President John Kellet, the parent company—Multiactive--went through the process of interviewing customers and conducting focus groups to find out what customers really wanted and developed a product to fit those needs. This time it was Bingo: Since February 2002 Maximizer 7.0 Enterprise has chalked up 5,500 customers and about 35,000 users.

But Maximizer 7.0 Enterprise still maintains some of its web-based charcteristics. Portals for customers, partners and employees are available on the top-line server license ($4,995). The basic server license is $1,995, plus $699 per user. However, smaller companies can purchase the product with its Maximizers's proprietary "Pervasive" proprietary platform at $499 a seat.

Conclusion: A candidate for every Maximizer user company—and anyone else looking for a well thought-out solution.

Commence (Commence RM)

Commence RM	
Number of User Companies:	20,000
Number of End Users:	200,000
Flagship Customers:	Shell Oil, Brinks United Nations, PNC Bank
License Fees/Pricing:	$500-$300 depending on # users.
Contact:	www.commence.com

Commence RM has an interesting history: it started out as a Personal Information Manager (PIM) which AT&T and IBM OEMed around the world. (IBM sold it as IBM Current and IBM Supersell.) The product was actully a collection of desktop building blocks which could be used to build all kinds of management applications. When Larry Caretsky, the current CEO, took charge several years ago he sensed the CRM wave and put the block together into "Commence 2000", small-business CRM system which has now been upgraded as Commence RM

But the "building block" structure of Commence RM remains, making it a developer's dream for customizing the product to meet company specific needs. (One major company uses it as a system to track up-and-coming executives!).

While Commence RM can connect to just about any other application, it has a proprietary database which strong synchronization capabilities.

Commence RM is has most of its 20,000 customers in the United States, but is working hard to develop a global network of distributors and dealers.

Conclusion: A candidate for companies who want extensive customization at a low price-per-user.

SuperOffice ASA (SuperOffice 5)

SuperOffice 5	
Number of User Companies:	22,500
Number of End Users:	225,000
Flagship Customers:	Toshiba PC (Scandinavia), KPMG (Netherlands)
License Fees/Pricing:	$500-$300 depending on # users.
Contact:	www.superoffice.com

SuperOffice 5 is one of the most user-friendly CRM solutions available today. The company was founded in 1990 by Une Amundsen, a successful Norwegian entrepreneur fed up with the difficulty and complexity of sales and marketing systems then available with many special features which few people use (how many functions of Microsoft Word do you use?).

His mission for the SuperOffice company: make uncomplicated products that sales and marketing people will enjoy using—and will use all day long. SuperOffice developers have orders to provide the essentials of what sales people and marketers need to have rather than what management thinks they should have. If management wants more bells and whistles, they can buy these separately.

The result is evident in SuperOffice CRM 5 solution with highly intuitive navigation. Tight integration with MS Word and Excel saves time since there is no need to leave the CRM application to do other chores. And the company claims only one day of user training is needed to be up and running.

Note: SuperOffice is represented in North America by Agresso Americas (www.agressoamericas.com) distributors of mid-market software for professional services firms.

Conclusion: A candidate for companies who believe in the motto "Less is more."

SalesLogix (Interact Commerce Corporation)

SalesLogix	
Number of User Companies:	3,500
Number of End Users:	350,000
Flagship Customers:	Tiffany & Co., E-Trade, British Airways
License Fees/Pricing:	Basic Server $4,995 + $595 per user Advanced Server $11,995
Contact:	www.saleslogix.com

SalesLogix was launched in 1996 as a Sales Force Automation (SFA) solution by Pat Sullivan, the founder of the ACT! contact manager. But Sullivan sensed the swelling CRM tidal wave and began adding marketing, service and eCommerce functions while positioning the product for the relatively unpopulated mid-market space.

The result: SalesLogix is the undisputed market leader for medium-size enterprises with more than 3,500 user companies. But the market leadership of SalesLogix is not due solely to nimble-footed management and clever positioning.

SalesLogix created market penetration opportunities through connectivity links with ERP and financial packages including Great Plains, Solomon, J.D. Edwards, and SAP. And the online SalesLogix.net offering has close ties to Microsoft, including integration with the Microsoft Commerce Server 2000.

Another SalesLogix success factor is its strong network of "business partners" around the world. These companies market and sell the product to end-users and then provide customizing, implementation and after sales services. A number of these business partners also have vertical industry solutions and use SalesLogix as a front office/CRM module.

Conclusion: A candidate for any mid-size company or large enterprise division--but spend the time to find the SalesLogix "business partner" that best understands your business.

update.com software AG (marketing manager®)

marketing.manager is the flagship product of Update.com Software AG, an Austrian company founded in 1988, the era when contact managers and sales force automation (SFA) solutions were entering the marketplace. That their key product was called "marketing.manager" pointed the way towards their integrated CRM solution for sales, marketing and service

marketing manager®	
Number of User Companies:	500
Number of End Users:	40,000
Flagship Customers:	Beiresdorf, Alcatel, SmithKline Beecham
License Fees/Pricing:	Server License $4,000 (4,600 euro) User Licence $1,330 (1,500 euro)
Contact:	www.update.com

marketing.manager remains today as the company's core product, although it has been revised and improved constantly—including conversion to a web-based solution. It can be considered as a complete marketing and sales productivity system for medium-sized companies and divisions of large enterprises. It was included in the ISM Guide's "Top 15 CRM Solutions" in 2001—no small feat for this European product, given the somewhat chauvinistic stance of the American CRM community.

Update's European roots should be an important factor in considering their product portfolio. American software developers sometimes fail to meet the "challenges" of accommodating European names and postal addresses which differ greatly from country to country, let alone the subtle cultural differences that play a role in the CRM process.

Conclusion: Ä candidate for companies with extensive operations in Europe.

CRM Software for Rent : UpShot, Salesforce and Salesnet

UpShot, Salesforce and Salesnet are called "net native applications," "hosted solutions" or "application service providers" (ASP's for short). No matter what you call them, they operate on the same principle: they host, manage, maintain and upgrade their basic software, database, and special modules at a secure and central location and deliver functionality to their customers online via the Internet. Since you don't install these applications on your own computer, you don't buy the software. Instead, you "rent" the use of the application at X dollars per month per user. (But they are now offering integrated "offline" variants as well.)

	Upshot	Salesforce	Salesnet
Founding Date:	1997	1999	1997
Number of User Companies:	Undisclosed	3,500	5,000
Number of End Users:	Undisclosed	Undisclosed	Undisclosed
Flagship Customers:	HP, Jamcracker	Siemens, Autodesk	Staples, Amex
Monthly Fee per User	$65 (Starting)	$65 -$125	$95 (Discounts)
Contact:	www.upshot.com\	www.salesforce.com	www.salesnet.com

The advantages of this business model can be substantial:

- You don't have to hire additional IT staff to manage the software.
- You don't have to buy new hardware. Any employee with a web browser (or Palm-type handheld) can be empowered to use the application.
- By saving on staff and hardware, "Total Cost of Ownership" of a hosted application vs. a client/server application can be drastically reduced (Forrester Research calculates the savings as up to 50%.)
- Updates, new modules and improvements are delivered automatically.

- Scalability is a snap. You just sign up new users as you roll out the application from pilot project to business unit to enterprise.

But there are of course some disadvantages:

- Accessibility: if you are not online, you can't use the application.
- Security: not everyone is enthusiastic about entrusting third parties with all important customer information (although this seems less of a problem since 9/11).
- Continuity: You have a real problem if the company storing your customer data goes belly-up and the courts and creditors seize its computers. (A number of ASPs have crashed and burned during the dot-com meltdown.) Fortunately, UpShot, Salesforce and Salesnet appear to be weathering these troubled economic times.

Which one is right for you? While UpShot, Salesforce and Salesnet employ similar business models and pricing structures, they are fundamentally different in positioning, functionality, geography, which they perceive as their main competitor and USP:

	Upshot	Salesforce.com	Salesnet
Positioning	SFA	CRM	SFA
Functionality	Sales Management	Sales/Marketing/Service	Sales Management
Geography:	North America	Global	80% US/20% Other
Main Competitor:	SalesLogix	Siebel	Siebel, Salesforce.com
USP:	For the salesperson	True CRM System	Sales Process built in

Conclusion: Candidates for anyone who wants fast implementation and low cost-of-ownership—but accepts the fact that customer data will be stored "elsewhere."

About the Author

Jay Curry is originator of Customer Marketing®, a structured CRM methodology especially suited for small and medium-size enterprises. You can learn more about his method, his book *The Customer Marketing Method: How to Implement and Profit from Customer Relationship Management* and a companion *Customer Marketing Toolkit* at www.customermarketing.com.

Jay is also the founder of www.crm4sme.com the portal for users and vendors of CRM software and services in the smaller business marketplace. Use the site to search for people with CRM expertise and experience in your industry.

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