Hosted CRM vs. In-House: Which Direction Should Your Company Take?

WHITEPAPER

LuitBiz CRM

Makes Your Work Seems Much Easier

Hosted CRM Vs Inhouse
W H I T E P A P E R

Any technology change that impacts the financial health of your company needs a very extensive analysis and thinking and customer relationship management (CRM) is no exception. Your customer relations directly impact the financial health of your company and as such there has always been heated argument on where to host your CRM software with all your customer information - should it be on your company's premise or on the cloud? In addition to where your CRM software will be hosted, you will also have arguments regarding cost, customization, time, productivity, efficiency, security, accessibility, etc.

However, CRM technologies have matured over time and now the two options of hosted and in-house CRM implementations are becoming a little less polarized. In fact, today in many large companies both these models co-exist that cater to different enterprise and divisional needs. The highly publicized sories of failure of large scale CRM deployments have paved the way for more nimble hosted CRM solutions. With the carefully planned incremental implementations of hosted CRM solutions customers find more success and better value for their money.

Businesses are now increasingly opting for he hosted (SaaS) model for their CRM implementations. Apparently, the siren call of hosted CRM offerings - lower total cost of ownership, quicker ROI, mobile access from multiple devices, etc. - is a seductive one. According to Gartner, Inc, worldwide CRM software totaled $26.3 billion in 2015, up 12.3 percent from $23.4 billion in 2014 and SaaS revenue grew 27 percent year over year, which is more than double overall CRM market growth in 2015 while on-premises new license revenue declined 1 percent for the same period. A forecast from Gartner anticipates that hosted Gartner's latest forecasts show that enterprises are realizing the most valuable assets they have are solid, long-term customer relationships. As such CRM software leads the technology investment, with 49% of businesses planning to increase spending in 2017. This is not just to keep up with their competitors, but also as a result of improving sales.

Hosted models are attracting adherents who got burned by costly in-house CRM projects that didnít deliver the expected results. This model is particularly attractive if companies are looking for cost effective and easy to use deployments built using latest technologies that can be accessed via multiple devices over the Internet anytime, anywhere.

However, before implementing a CRM solution, businesses will have to answer the following questions:

* Within what time frame would they want to implement the CRM solution?

* How much are they willing to spend on the CRM implementation?

* Do they have an IT department?

* Do they need highly customized applications, and if so, do they have skilled developers?

* Is their workforce distributed or mobile?

* Do they have key back-office systems that need to be integrated with new front-office functionality?

* Do they have any security restrictions?

The answers to these questions help businesses decide their CRM implementation model. However as time-to-implementation and cost lead the list a business needs to have customer-related software running fairly quickly, with a more immediate ROI. In such a case, a hosted solution can be very attractive. Though they will have to sacrifice some of the things that ownership can bring - absolute control, sophisticated customization - they donít have to dedicate IT resources or purchase expensive hardware to get things underway. This has been particularly attractive to mid-market and smaller firms, who might not have the IT expertise to bring CRM in house.

With a hosted model, businesses can start with five or 10 users as a pilot and if itís successful they can expand it further into the enterprise. The advantage with hosted in this case is that it doesnít cost you a lot if you have to throw it away - you didnít sink a million dollars into a large-scale CRM implementation.

The ease with which upgrades are rolled out is another benefit of hosted offerings: They are automatically performed centrally, obviating the need for an IT staff to distribute upgrades to individual desktops or portable devices. Moreover, if an organization has a widely distributed workforce, either because of mobility requirements or due to geographically dispersed offices, a hosted model can make a lot of sense, as users can use a browser to log-in to applications.

Whatever options customers choose, CRM deployments are moving beyond the less-than-stellar early years to deliver some real, provable ROI. These improvements are due to a number of factors, including the success of hosted (SaaS) CRM and a more incremental, modular approach to on-premise implementations. Both traditional suite vendors and hosted service providers are adding analytics functionality ó through development, acquisition and third-party partnerships ó thatís becoming critical to getting more from operational CRM investments. Both camps are also continuing to add vertical-specific functionality to their applications, providing individual industry segments with functions and business process automation specific to them.

However, before implementing a CRM solution in either model, businesses should avoid the following 4 common mistakes:

* Failure to manage customer-facing intersection points: Sit down with the vendor to map the CRM process to be automated, defining individual entry and exit points and integration models

* Incomplete proof of concept testing: Conduct pilot tests / free trials of the CRM processes to be automated prior to signing an agreement

* Inadequate customer knowledge storage & management: Check if the CRM system allows you to customize and store customer knowledge that is mostly lodged in the heads of your sales agents

* Lack of well defined exit strategy: companies entering into CRM agreements establish procedures for retaining process knowledge while exiting from a vendorís services

LuitBIz CRM - makes your work seems much easier

Let others debate on whether a hosted CRM solution is good or an in house one. Why should you be wasting your time and energy in getting into unnecessary debates over which option is better. All you need is a CRM solution that is:

* Fast to implement an learn

* Extremely cost effective

* Can be accessed from anytime anywhere using any device without downloading any desktop or mobile apps

* Can be used across your multiple business locations

* Covers the complete customer lifecycle right from market survey, segmentation and SWOT analysis to building up the sales pipeline, making the sale, supporting the customers and up sell / cross sell to existing customers as well as constantly stay in touch with them all the time

Does this make you wonder if such a CRM solution really exists? How can we access it via a mobile without downloading any apps? And what is this ease of use ñ CRM as we know takes time to implement and learn ñ so what exactly is this CRM solution? Well, think no further. LuitBiz gives its customers what they want so they can concentrate on a more important issue - their own customers. Being completely responsive, it does not require any mobile app download and its super easy interface and audio guides makes its learning curve extremely short.

LuitBiz CRM has been developed by Luit Infotech, a Bangalore (India) based SaaS software company that was founded in 2004. LuitBiz CRM is very customer-focused, feature-rich and flexible and delivers a rich user experience allowing customers to set business rules in their workflow to reflect their own sales, marketing and customer service processes.

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LuitBiz CRM is a completely responsive customer relationship management software built using Software-as-a-Service (SaaS) technologies. It is offered in the cloud model where the software is hosted in secure cloud servers by Luit Infotech and customers can access it from anywhere in the world via any device connected to the Internet. LuitBiz CRM is completely responsive and there is no need to download any mobile apps to access it via a mobile device. The same application is available equally across devices whether its a mobile phone, tablet or a computer.

LuitBiz CRM has:

* Activity Management: Users can view their schedules as well as those of others, plan their activities and get alerts for their to-d- activities and tasks

* Sales Force Automation: Complete sales force automation starting from identification of suspects, assignment of suspects to appropriate sales reps, follow up details, quotations, tenders, ad-hoc sales reports and completion of the sales process

* Marketing Management: Marketing campaigns, marketing lists, marketing collaterals, marketing forecasts and marketing activity management

* Support Management: support cases management, support resolution pipeline, support reports, support status and support questions management

* Contacts Management: manage contacts, contact conversations, activities, contact interests and preferences for quick reference from anywhere in the world

* Customer Portal: portal that is linked with the support module and enables direct communication with customers to solve their issues and upsell products
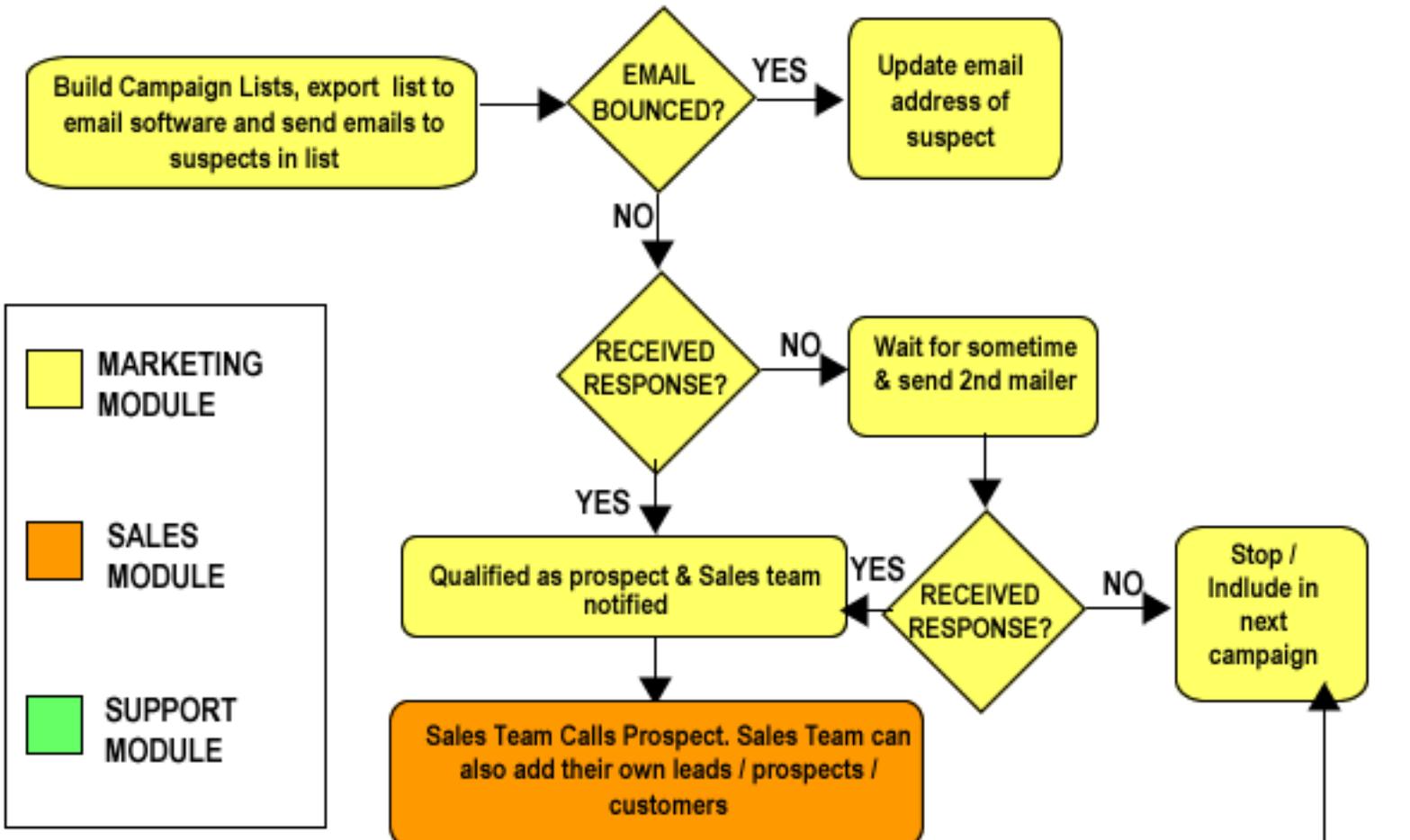
According to a recent Forrester Research Inc. report, "Customer management professionals tell us that poor data management is one of the biggest barriers to getting value from their CRM systems. But the right approach to customer data management is elusive."

However, all sales professionals know that there is a direct correlation between sales productivity and data quality. You can serve your customers best only when you really know your prospects and customers and their needs - and how you can best serve those needs, quickly identify the best qualified prospect and customer cross-sell and up-sell opportunities, and pinpoint key decision-makers. In short, the better equipped salespeople are - with the right information on prospects and customers - the better their chances of winning and keeping business.

The main problem faced by the sales reps is duplicate entries that can be the issue with most CRM systems. They affect every step of the sales cycle and lead to reduced or lost sales revenues, wasted resources, and confusion within the sales team. The problems faced by duplication of records include:

* Channel conflict: Duplicates can cause different sales reps to chase the same client, leading to redundancy and confusion. This type of a situation frustrates clients to the point where they may reject your business entirely.

* Compensation discrepancies: It is difficult to determine a sales rep's proper compensation or to evaluate individual performanceớ when your CRM connects one client with multiple reps.

LuitBiz CRMís effective functionalities make it easy to eliminate duplicates and the issues associated with them and provides an adequate solution to the problems faced by your sales reps.

* Instant identification: Sales operations teams can identify duplicates in real time and avoid sending multiple sales reps after the same client.

* One-to-one sales relationship: Compensation and evaluation become simple as clients are uniquely correlated with the correct sales reps.

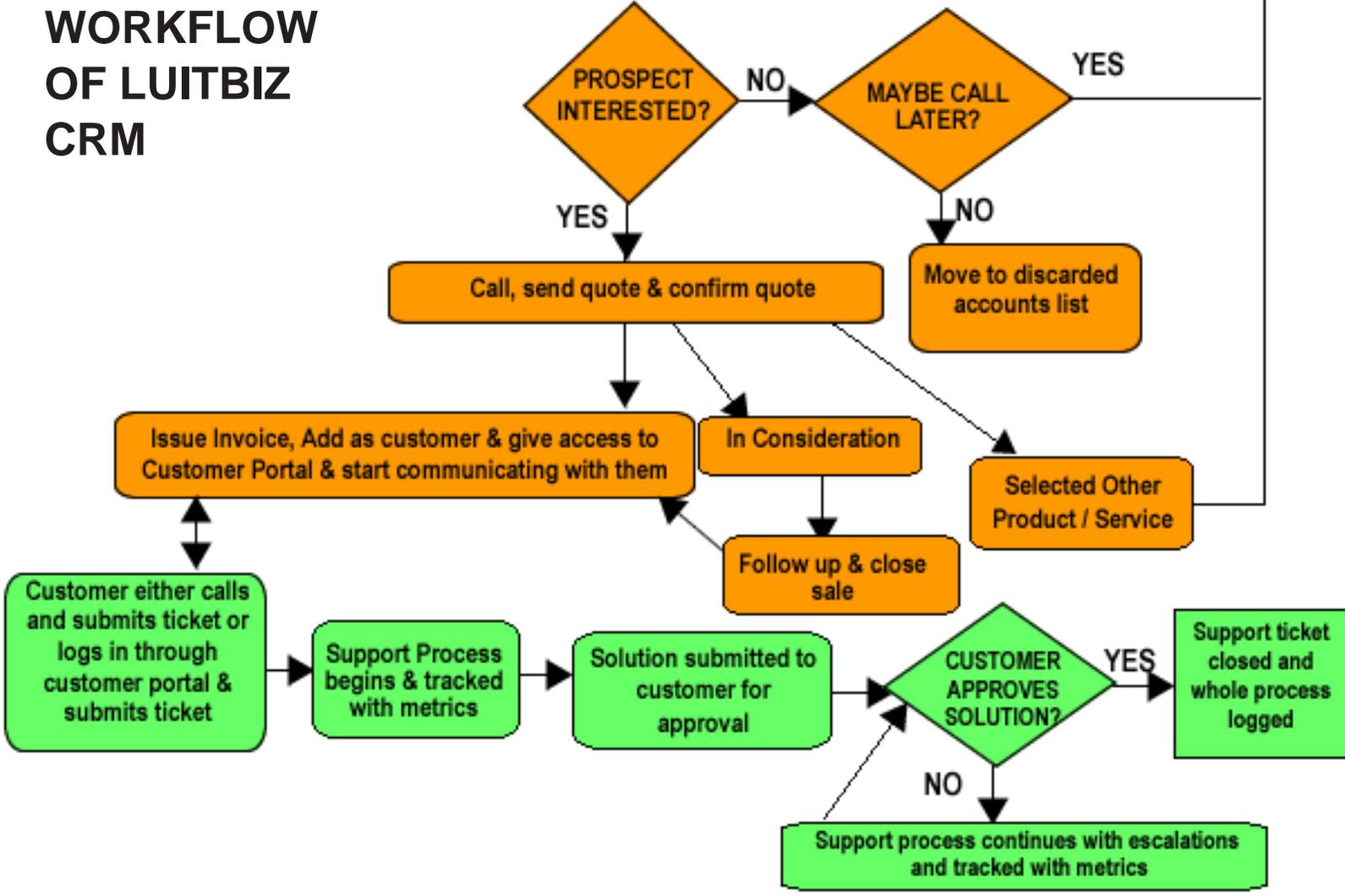The workflow of LuitBiz CRM is given in the following page.

WORKFLOW OF LUITBIZ CRM

Build Campaign Lists, export list to email software and send emails to suspects in list

EMAIL BOUNCED? — YES → Update email address of suspect

NO ↓

RECEIVED RESPONSE? — NO → Wait for sometime & send 2nd mailer

YES ↓

Qualified as prospect & Sales team notified ← YES — RECEIVED RESPONSE? — NO → Stop / Include in next campaign

Sales Team Calls Prospect. Sales Team can also add their own leads / prospects / customers

MARKETING MODULE
SALES MODULE
SUPPORT MODULE

PROSPECT INTERESTED? — NO → MAYBE CALL LATER? — YES

NO ↓ Move to discarded accounts list

YES ↓

Call, send quote & confirm quote

Issue Invoice, Add as customer & give access to Customer Portal & start communicating with them

In Consideration

Selected Other Product / Service

Follow up & close sale

Customer either calls and submits ticket or logs in through customer portal & submits ticket

Support Process begins & tracked with metrics

Solution submitted to customer for approval

CUSTOMER APPROVES SOLUTION? — YES → Support ticket closed and whole process logged

NO ↓

Support process continues with escalations and tracked with metrics

Additionally, LuitBiz CRM has marketing management and support management modules integrated into the system. This allows the management to have a complete 360 degree view of the sales, marketing and support functions performed by the respective departments. LuitBiz CRM supports multiple companies and multiple currencies. This means that companies can have all their sales, marketing, support and partner data for their parent companies and subsidiaries in the same system. Also, due to multiple currency support, these companies can carry out their transactions in their own currencies.

LuitBiz CRM is a CRM designed around simplicity and ease of use. It helps businesses use marketing data more intelligently, streamline their sales processes and provide great customer support and service to retain customers and gain new ones.

Try LuitBiz For FREE
Click Here

LuitBiz CRM is available for a free 15 day test drive. You do not need to submit any credit card information to start testing LuitBiz CRM. So go ahead and contact us for a free online trial of LuitBiz CRM at:

Luit Infotech Private Limited

Phone: + 91 80 4206 1217

Email: sales@luitinfotech.com
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LuitBiz CRM gives your business gain an edge over your competitors by:

Helping you develop better relationships with your customers that leads to increased sales through better timing by anticipating needs based on historic trends

Helping you to cross-sell your other products by highlighting and suggesting alternatives or enhancements

Helping you to identify which of your customers are profitable and which are not

Helping you market your products or services better by focusing on effective targeted marketing communications aimed specifically at customer needs

Helping you gain enhanced customer satisfaction and retention, ensuring that your good reputation in the marketplace continues to grow

Helping you to get increased value from your existing customers and reduced costs associated with supporting and servicing them, increasing your overall efficiency and reducing total cost of sales.