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amdocsclarify**CRM**

Amdocs

amdocsclarify**CRM**

whitepaper

critical software characteristics

for successful CRM implementations

introduction

In a competitive and rapidly changing market, companies can no longer rely on a strategy based primarily on growing market share. To sustain profitability, companies must change to a business model that concentrates on retaining and expanding existing customer relationships.

As business becomes more competitive, companies are becoming increasingly aware of the need for CRM to focus on individual relationships, and to maximize customer lifetime value – and profitability. However, for many companies the promise of CRM is not being realized. This white paper is the culmination of successful, broad-based CRM experience, and independent surveys of our customers. It addresses the critical software characteristics identified by Amdocs and its customers as being necessary for a successful CRM implementation. These findings have been validated by an independent research study by Ovum, commissioned by Amdocs.

developing a CRM strategy

For successful CRM implementation the process needs to focus on business benefits, achieved using appropriate technology.

In this development process, technology does not drive the strategy – business requirements do. Because CRM is at the very heart of a company's business strategy, largely governing how it manages customer relationships, 'one size fits all' implementations rarely bring real business value and ROI. Therefore care should be taken in defining the CRM strategy and the technology to enable it, as both play a critical part in the success. Shortcomings on either side can lead to implementation failure.

With the emphasis on business requirements, and by ensuring that technology should enable the CRM strategy and not lead it, what then are the key characteristics CRM software should exhibit to aid in success?

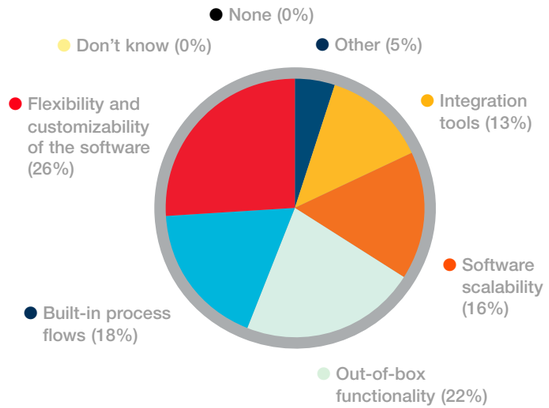
From years of implementation experience and surveys of our successful Amdocs ClarifyCRM customers across many large to small industries, a clear picture of the role of CRM software has emerged. Meeting these requirements has always been the driving force behind Amdocs ClarifyCRM solutions. These will be presented in this document as the critical CRM software characteristics for implementation success.

critical success factors

This section provides an overview of the CRM software characteristics critical to implementation success.

The key factors that Amdocs ClarifyCRM customers identified as influencing the success of a CRM implementation are summarized and explained in Table 1 below.

Table 1 CRM Critical Success Factors. Software characteristics influencing success of implementation



1 ease of integration

With customer data and processes located in many different support systems, integration is a major issue for many companies. Because they do not want to replace these legacy support systems, they require their CRM solutions to integrate seamlessly. Many companies also have complex technical operating environments. In order for a CRM solution to be successful it must effectively understand and interact with the systems that comprise this environment. As Steve Bonadio of the META Group points out: "60% of all CRM service costs are attributed to integration. Depending on the business problem and requirements, integration may have to be in real time or in batch."

There are many critical integration points in any CRM deployment:
- Front to back office
- Cross channel (direct with indirect selling/marketing)
- Touch points (email, telephony, etc.)
- Operational and analytical
- Downstream with external partners

Effective integration is critical for minimizing risk in CRM implementation. Many companies need their CRM systems to interoperate with other support applications (e.g. inventory management, billing, order management, network management, etc.) However, common integration problems lead to increased integration costs. In fact, across all industries, a lack of proper integration leads to longer project timelines and increased costs.

A study conducted by Ovum of Amdocs ClarifyCRM customers found that integration tools are considered to be critical for successful CRM deployment and these tools contributed to their implementation success. The availability and quality of integration tools is most important in situations where CRM development and installation budgets are limited.

Ease of integration also requires vendors to:
- Offer effective integration tools, including adaptors and object interfaces
- Use standards-based architectures
- Offer multiple integration methods
- Provide integration consulting and training services

A major factor in successful integration is compliance with a standards-based architecture. Such 'open' architectures make it far easier to develop interfaces to the many legacy and operational systems that may be required for an implementation, and make it easier to maintain. Amdocs ClarifyCRM is the only leading CRM software package that follows a J2EE strategy and follows the MVC Model 2 design paradigm. This industry standard makes it easier for ClarifyCRM to interface with third-party back-office systems like ERP, other billing software or provisioning software.

Based on a proprietary study of Amdocs customers, Ovum stated: "There is one critical success factor that stands out for Amdocs Clarify customers that influenced the success of the product implementations; it is flexibility and customizability of the Clarify software packages… To your customers, flexibility not only means the ability to configure to customer requirements but also the ability to integrate with external systems."

2 ease of customization

Organizations require their CRM solutions to be easily customized to meet their specific business needs. This in turn reduces the time to production and associated deployment costs. In a Meta Group note it was estimated that for every $1 spent on license fees, $3 is spent on integration and customization. For any CRM deployment some level of customization and configuration is required to ensure that the solution meets the organization's business needs. Upgradability is also a key consideration when a CRM solution is customized. To deliver ease of customization, CRM vendors must provide:
- System extensibility (e.g. database, UI, business logic)
- Ease of end-user configurability
- An integrated development environment
- Support for industry-standard customization tools
- Upgradability of all customizations
- Extendable and modular architecture

Many companies identify mapping their business rules to software as being one of the biggest 'pain points' of implementing a CRM solution. They must also be able to easily update their CRM solution as their business rules change, and have the customization flexibility to manage complex business processes. This requires CRM solutions that have change management capabilities and provide 'drag-and-drop' architectures. These allow IT departments, customer care executives, and marketing departments to quickly and easily query and modify systems to accommodate the fast-changing needs of the marketplace. In any CRM implementation, the biggest mistake is to let the technology features drive CRM functionality. CRM means changing your focus and the business processes to support it and then applying technologies to automate those new processes. This is why CRM, by its very nature, needs to be customized. There is no such thing as off-the-shelf CRM if the implementation is to reflect your unique value proposition to the market.

Amdocs ClarifyCRM comes with unmatched out-of-the-box functionality to speed implementation, and has also been engineered from the start to allow for as much, or as little, customization as will be required for any implementation. This includes the ability to customize every major component of the software, from end-user configurations, database extensions, user interface extensions, application logic extensions to enforce your business logic, and the tools to implement these.

3 easy scalability

Scalability is a key CRM software characteristic for success. It is important, as most organizations are looking for a CRM solution that will address their business needs now, and into the future. For a CRM solution to be successful, it must be able to handle the high volume of customer inquiries, orders, etc. that are received daily. Scalability is important not only in terms of adding new users and application modules, but also for supporting real-time distributed databases, wireless and disconnected users, and multiple interaction channels. An open, standards-based architecture is also vital for delivering CRM scalability.

Organizations do not want to implement a new CRM solution every few years just to keep up with their evolving business needs. A CRM solution must provide the ease of customization to deal with change. Software is needed that will grow with the business – as a company adds new modules or features, new users, more customers and web users. It also needs to support any incremental implementations and expand in any way necessary. Amdocs ClarifyCRM has the best performance benchmarks in the industry. This performance was built into the architecture and is a major advantage that ClarifyCRM has over other vendors. Proof of this is our customer base – from global communications Service Providers with hundreds of thousands of users to multinational corporations in many countries – high scalability is a benchmark of Amdocs ClarifyCRM.

4 rich out-of-box (OOB) functionality

The depth and robustness of a CRM vendor's OOB functionality is critical to a successful implementation. The greater the OOB functionality, the less customization is required and the better an organization's understanding of what capabilities a CRM solution has to meet their business needs today versus what has to be customized for longer term deployment.

OOB functionality is another factor that CRM users rate extremely highly. This is the basic functionality needed to do business, and is the difference between starting a CRM implementation with 20% of the required functionality or 80%. The greater the breadth of CRM functionality out of the box the less is the need for customization. This in turn cuts time to production and deployment costs. In addition, OOB functionality is typically already proven in production. Therefore, a CRM solution with rich operational and analytical OOB functionality is less susceptible to investment and performance risk.

While it is true that there is no such thing as 'off the shelf' CRM, quick and easy functionality is required of any CRM software package for successful implementation. This is how CRM software enables an organization's implementation, supports its business processes and brings faster ROI. Amdocs ClarifyCRM brings rich functionality in all the key areas such as service and support, sales automation, marketing, partner relationship and commerce and eService and eCare capabilities. Amdocs ClarifyCRM functionality gives any company the capability to create a single view of their customers and provides their customers with a single view of the organization – no matter what contact method is used. In addition, Amdocs ClarifyCRM depth of process and workflow management tools are unique in the industry, allowing users to enforce new processes with graphical definitions, ownership, routing, alarms, notifications and assignments.

5 business process management & integration

The solution's process management capabilities are key to effective CRM deployments. Process flows determine the course and manner in which the customer life cycle is managed, ensuring repeatability, consistency and efficiency. With business processes running through multiple front- and back-office systems, it is imperative to be able to manage and display these processes through a single, unified front end – both to improve call center effectiveness and customer satisfaction. OOB process flows and management tools deliver all of these benefits, as well as cutting the amount of customization required – shortening the time to production and lowering implementation costs. Process management tools must maintain complete ownership through each step of the process to ensure that all customer commitments will be met.

Along with rich OOB functionality, Amdocs ClarifyCRM process management and workflow capabilities offer a deep level of integration throughout all mission-critical business processes. Flexibility of business rules, alert routing and queues allow businesses to differentiate services based on customer value and improve operational productivity. This unique functionality of Amdocs ClarifyCRM is key to making CRM strategy a part of an organization's day-to-day processes by enabling intelligent CRM through business process automation.

6 operational efficiency

The downturn in the global economy has meant that operational efficiency has become a greater concern for companies. A CRM solution can enable companies to cut costs and increase efficiencies in business processes. Amdocs ClarifyCRM customers have realized productivity and operational improvements in every department that our solutions are implemented. In the contact center, our solutions provide the agent with more than just data – we provide the knowledge to quickly and confidently maximize every customer interaction. We help troubleshooting groups resolve problems more efficiently and ensure issues need only be resolved once. We help sales know their customers better so they can anticipate their needs and offer valuable solutions proactively, and our superior analytics capabilities ensure that marketing campaigns always have the highest possible success rate.

7 customer loyalty/retention

A key requirement for a CRM solution is how well it enables a company to retain customers and improve customer loyalty. With economic issues today and increased competition, many companies are now realizing that customer retention is more important than customer acquisition. Robust analytics, alerts/notifications, effective self-service and content/offer personalization are key to ensuring customer retention and loyalty.

Customer retention is achieved by developing a 360-degree view of the customer, and to do this, all elements of CRM must be linked together. CRM is not just customer care or salesforce automation. If this simplistic view is taken, the full benefit and business potential of CRM will not be realized. The whole is greater than the sum of the individual parts. Loyal customers affect the bottom line in two areas – they help reduce the cost of customer acquisition and they are more profitable. Amdocs ClarifyCRM provides the breadth, depth and flexibility so that our customers can leverage our solutions to reinforce their own unique CRM approach that gives them a competitive advantage. Add to that our closed-loop analytics with proactive recommendations on the next Best Action and we have the only solution that lets our customers become more valuable to their customers, increasing customer loyalty, decreasing churn, and increasing Customer Lifetime Value.

analyzing CRM solutions

We continue to set the standard for measurable results in customer relationship management with our Amdocs ClarifyCRM solutions. Our unique closed loop CRM solutions enable improved loyalty and maximum customer profitability. Our ‘No Failures’ approach to CRM implementation and single point of accountability ensure your unique requirements are successfully fulfilled. Our unparalleled track record for delivering CRM solutions is based on proven ClarifyCRM technology. We have been providing mission-critical systems to leading international companies for over 20 years and with major implementations of Amdocs ClarifyCRM at companies around the world.