

CRM ROI eBook

# What is Your CRM Really Costing You?

A Guide for CRM ROI  
Considerations, Calculations,  
& Solutions

Technology Advisors Inc. | [www.techadv.com](http://www.techadv.com) | 847.655.3400



# Contents

## 01

### Introduction

*Understanding the ROI of your CRM is an exercise in quantifying its worth to your business. Which features and functions will support (or are currently supporting) your innovation and growth long-term? How can you tell?*

## 02

### Factors Influencing the ROI of CRM Selection

*Your success with a CRM solution — and in turn your return-on-investment (ROI) — is tied to the factors that influence your selection. What capabilities do we need to meet and exceed our business goals? This section explores the most common factors to consider.*

## 15

### How to Calculate CRM ROI

*CRM ROI is determined from both tangible and intangible factors. Learning how to accurately calculate and analyze these factors is how you uncover what is and what is not working for your business.*

## 18

### The Hidden ROI Factors Costing You More

*Beyond the essential categories of CRM features and functions, the lack of certain capabilities can help explain lagging ROI. This section discusses influential factors to CRM ROI that are sometimes overlooked.*

## 25

### Intangible Value of New Features

*Tangible ROI is, of course, paramount. But, what intangible value can be gained from a CRM that fills the features gap and offers innovative solutions? We discuss in this section.*

## 27

### Solving Existing ROI Problems

*The ROI issues have been identified. Now, let's talk about solutions.*

## 29

### Conclusions & Next Steps

# Introduction

In the lifetime of a business, decisions great and small can impact the success and longevity of the enterprise. Undoubtedly, one of the greatest decisions that a business leader must make is how to manage the immense amount of information going into and coming out of the business at any time.

How you decide to tackle this problem will determine many other critical features about your enterprise: how do teams talk to each other; how is customer information stored, sorted, and retrieved; how well can employees understand and make changes to our central infrastructure; the list is truly endless.

The best managers know that real success is about moving quickly and fixing problems efficiently as they arise, and one of the most time-honored tools for assessing success and failure is calculated Return on Investment (ROI). At the margins of a business, knowing what you're getting out of any investment – whether in time, attention, or resources – is crucial for not only long-term planning but also day-to-day operations and meeting your customers' most basic needs.

Even seemingly marginal changes in how your teams communicate or store data can make a significant difference in your bottom line. For a large enough business, favorable changes as small as a single percent in win rate or average service call time can translate to hundreds of thousands, if not millions, of dollars. With such high stakes, it's obvious that things like choosing the right CRM solution for your business can have outsized effects in both the long and short-term. But with so many variables between the nature of your business and the capabilities of a given CRM – not to mention analysis of the intangibles associated with either – how does one make the correct choice?

**But with so many variables between the nature of your business and the capabilities of a given CRM – not to mention analysis of the intangibles associated with either – how does one make the correct choice?**

Well, for starters, what if you could accurately predict your ROI on specific features of a CRM?

There's certainly no shortage in the market today for options, and many CRM solutions offer dozens of optional features, as well as differing training, installation, and upfront costs. But if you had answers to questions like, "Well how might better omnichannel communications or sales chat affect my win rate?" you could gain a more concrete understanding of not just what your CRM will cost you, but what it will be worth to you. And accordingly, you may begin to understand just what your current CRM is costing you in lost opportunities.

# Factors Influencing the ROI of CRM Selection

With the assistance of modern technology, we have comprehensive software offerings to help manage key facets of modern commerce: how to interact with customers, how to allocate resources, and how to make sense of your business and the world around it. But still, there is no one true solution to the ever-present question of how best to operate your business. After all, if every business is unique, it stands to reason that the problems they face and how they will go about tackling them will likewise be unique.

While aspects of our digitally enhanced world have led to some convergence in communications technology, the reality is businesses don't need solutions to every possible problem that a CRM can solve. What is needed is a CRM that enables their unique business processes and organizational structure to cater to their needs as efficiently as possible, without sacrificing their ability to grow. A mid-size information technology company for example, likely has more need for internal organization and communication than an individually owned and operated tee shirt press, but both still need to engage their customer base frequently and over a variety of channels – maybe even over the same social media networks.

**“...the reality is businesses don't need solutions to every possible problem that a CRM can solve. What is needed is a CRM that enables their unique business processes and organizational structure to cater to their needs as efficiently as possible, without sacrificing their ability to grow.”**

With all the options and opportunities of modern commerce readily available, an entire market of CRM solutions has accordingly grown, offering a dizzying number of features and integrations meant to solve problems for every kind of enterprise. So, let's look at some of the keystone CRM features that influence CRM selection and ROI.

## *Vertical CRM Solutions*

With such an array of software out there, and with an equally vast number of optional and supplementary features, it isn't uncommon at all for businesses — especially relatively smaller ones — to seek out a simple, industry standardized CRM. If you're running a run-of-the-mill shoe store or real estate business, there are likely options out there that offer already customized and fully integrated software packages meant to minimize or eliminate the time it might take to develop your platform. These “vertical” solutions, derive their name from their stark contrast with less developed, more generally able “horizontal” CRMs.

The goal of a vertical CRM is to offer a plug-and-play solution for businesses looking to minimize their developmental overhead, making them a natural fit for smaller, simpler businesses that maybe don't have the resources or need for a real information technology department. But, mindful of ROI, there are some pluses and minuses to consider.

As this article from [GoldenLion](#) helps illustrate, while vertical CRM solutions may require less developmental overhead, they often balance that with a higher upfront charge for all the specific customization that the software already has. Additionally, because many vertical CRMs are already ‘built out’, they have less customization available or may present additional costs relative to a generic CRM because things must be unworked or undone.

Vertical vs. Horizontal CRM	
Vertical CRM Pros	Horizontal CRM Pros
Targeted to industry Faster time to go-live Less custom development necessary	Customizable to fit workflows and processes Been around longer than verticals Larger feature set to choose from Larger, more established community
Vertical CRM Cons	Horizontal CRM Cons
Higher upfront costs to purchase Harder to customize if desired Workflows offered may be too niche Smaller support community Fewer established players in market Must adapt to predetermined processes set by the Vertical	Cost to build custom fields and functions May take longer to go-live

Which brings us to another facet of vertical CRMs to consider: the limitations of getting specific. While it may sound nice that vertical CRMs offer plug-and-play solutions for certain industries, even the smallest nuances of your business matter. A vertical CRM solution for a real estate agency might not have what you need if your clientele lives or works internationally. It might need to be able to handle transactions in multiple types of currency.

Or you might find that your particular business works on smaller margins but much higher average volume than what the CRM’s designers had in mind. Maybe the UI keeps clipping off entries, making it harder for your sales and service reps to find information when they need it. Getting the best fit for your business means being aware of these details from the outset of your CRM acquisition process, and never settling for inconvenience of inefficiency once you’ve begun your rollout.

When it comes to thinking in specific about the ROI of your CRM, you can never get too detail-oriented. That unnecessary time your service reps spend scrolling through tables, the opportunities lost to improperly submitted contact information, and all the other details add up to added costs and lost revenue. When technology empowers us to understand those marginal losses however, we can get closer to a truly seamless customer experience that represents the least overhead and most efficient sales process.

## *Complex Customization Options*

Opposite to vertical CRM solutions are those that take a diametrically different approach. Sometimes referred to as “horizontal”, these more flexible and generic CRM solutions make up most of the CRM options available. To borrow language from the GoldenLion article, if vertical CRMs are “a mile deep and an inch wide,” horizontal solutions are meant to be, “a mile wide and an inch deep.”

Contrasted with vertical CRM solutions that offer complete, fully customized software packages out-of-the-box, these CRMs offer little in terms of ready-made processes and forms, but instead present a platform for you and your teams to develop however and whatever you like.

Accordingly, these options tend to be opposite verticals in more than just native features and their degree of pre-customization. They typically represent lower upfront costs and much higher development costs, alongside longer rollout and training times.

The greatest advantage of having these complex customization options is of course the ability to respond to any problem or need, given enough time and skill. Vertical CRM solutions propose a remedy to how businesses are alike despite their differences, but some businesses are truly unique in concept, or strive to be in execution. If your business doesn't fit neatly into categories like “real estate agency” or “travel agency” or “bookstore” — maybe it's all three at once — chances are low that a vertical CRM solution will exist in the market for your complex combination of inputs and outputs.

However, it's also pertinent to observe that just because your business might be truly unique, doesn't mean you have to settle for developing everything yourself either. Both vertical and horizontal are merely descriptions of complex software offerings that occupy an entire spectrum of customizability. When being mindful of ROI, it helps to observe some general rules, such as: it usually costs more down the line to ask a third-party developer to build out a feature compared to buying a supplementary feature offered by the CRM vendor. Add-on costs themselves are usually a percentage of the base cost of the CRM. If your CRM costs \$150 per month you might expect an add-on that costs around \$80. On a CRM that costs \$65 per month, you could expect less than \$40 for similar functionality.

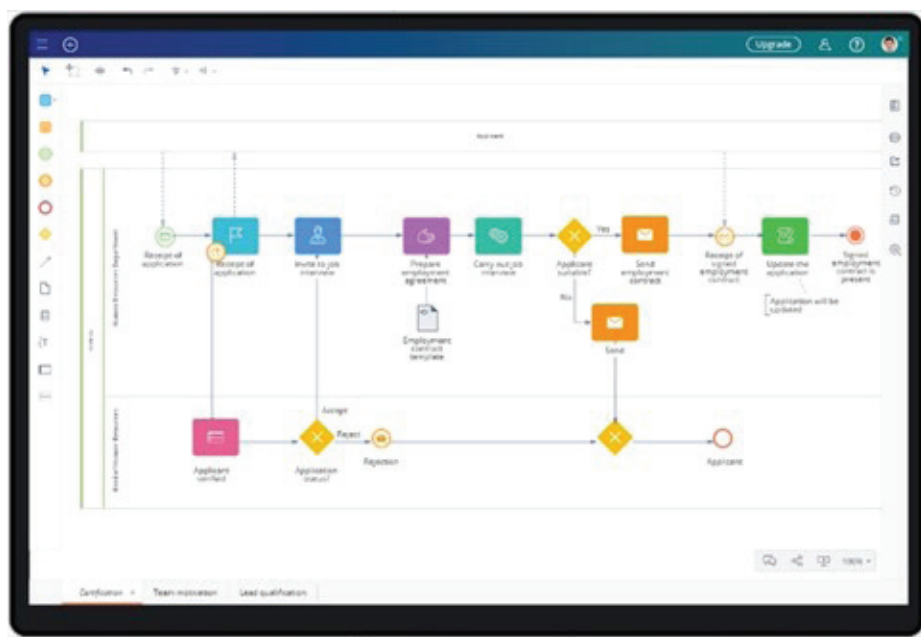
## *Low Code Support*

Perhaps the reason you are interested in a CRM solution isn't even necessarily the degree to which the software is or is not customizable. Perhaps what is of greater interest to you is the ways in which you and your employees can work within it.

Maybe what your business needs is a solution dedicated to maximizing employee ease-of-use and development. Maybe what your business needs is a solution geared toward minimizing development time in every way possible. To accomplish either of these goals, what your business really needs is a low code solution.

What low code CRM offers is a solution to a classic business problem: you have an employee who is less technically savvy than your IT manager and needs something done on the computer or specifically, within the CRM. Maybe they need to help fill a customer request, or create a unique business process, but the problem is simple enough that the less savvy employee can almost squint and think to themselves: “If only I was able to just drag and drop another field here, or make these two forms talk to each other, I could handle this myself.” As we all know, bridging that gap on technical expertise is much easier said than done when it comes to interacting with computers and code.

But with the advent of low- and no-code CRM, you can turn your non-IT employees into what Creatio has dubbed “[citizen developers](#)”. Using tools like visual designers and process mapping, employees with little or no formal coding experience can design and build their own business processes, automated reporting features, and more. No longer does a salesperson need to wait on IT to assist with something like setting up a triggered email event. With such obvious and immediate returns on saving time for your employees and customers, it’s easy to see why features like this are becoming a more visible part of the future of sales and marketing technology. In fact, a [Forrester Research analysis](#) of the impact of one low-code tool found it reduced development time 60 to 85 percent, an eight-week reduction on average.



*This is an example of a process mapping workflow in Creatio, a low code/no code CRM solution. Image Credit: [Creatio.com](#)*

As you might assume, there are some slight differences between low code and no code options. Low code features the ability to use prepackaged sections of code for user ease, alongside access to more robust traditional coding options if necessary. No code on the other hand focuses on strictly offering tools that involve no actual coding by any party, simply visual interfaces that allow the end-user to build out whatever they may need within the strict limitations of the designer.

Which is ideal for your business is entirely up to you, but low- and no-code features are one of the best examples of tech producing tangible ROI at the software level. According to Forrester, the average company avoided hiring two IT developers by using low code tools. This translated to an estimated \$4.4 million increase in business value over three years. With each success, you can easily estimate how much of your IT employees’ time you’ve saved, and accordingly, how much more efficient your business can now operate.

## Extensive Data Storage

Something that all major business success stories have in common is an inevitable confrontation with scalability. Growth is synonymous with successful business operation, so business owners and operators must constantly keep one eye to the future to parse just what it is that their business might become, and what it is already on the path to becoming. This non-stop race for growth also means that, under the course of normal operation, your business will change.

In a technologically enabled world, this means the amount of data you'll have on hand will change, alongside the rates at which you acquire or export new and existing data. Since commerce in this networked world is inextricably tied to the acquisition, utilization, and movement of data, how — and how much — you can store has never been more important.

While extensive data storage as a feature is mostly self-explanatory, the ways in which businesses use data and what that extensive storage offers has never been more dynamic. Businesses that were once considered “small” or “local” are now [tapping into massive networks](#) of consumer information to grow their audiences with tools like AI supported analytics and Business Intelligence. So, when considering your options for CRM data storage, understand that there's more to keep in mind than a simplistic picture of: “more customers equal more customer information which equals more data storage.” While concerns about that kind of scalability are still important, it's a far-cry from a holistic understanding of what data can do. And that holistic understanding is crucial for success in today's business environment.

To re-focus on the importance of ROI when it comes to selecting your CRM solution, ample data storage is another feature that offers a lot of tangible, upfront value. Look at a simple data storage problem like the natural expansion of a small business: it can be costly if you find yourself finally ready to open additional locations after years of successful operation, only to find out that your IT solutions aren't fit for having multiple storefronts or twice as much sales volume.

Suddenly you find yourself back at square one of the CRM acquisition process: needing to assess your situation, find a solution, acquire it, train your staff, and then finalize your roll out. In these kinds of situations you may end up having to pay a third party to build out an integration between your old system and the new one, or migrate your data, or best avoided if possible: you might lose some data or even require manual re-entry. All these scenarios represent different levels of inefficiency, down-time, and cost; none of which is necessary.

To best maximize the efficiency of your CRM rollout, first consult with all your stakeholders to ensure you make the right decision for your business at that time, with a mind to the future about what challenges may be yet to come.

## On-Premises and Cloud Options

Nearly as important as having the sheer capability to store data is discovering for yourself what manner of storing data works best for your company. In today's market, there are two general options for data management: On-Premises, which as you might suspect involves the retention of data and information to local computing systems, and Cloud computing, which enables the usage of internet and globally networked computing. Further specification also exists for Cloud options, namely public- and private-cloud solutions which have varying management requirements and associated costs. With private cloud solutions, you are not responsible for managing the server, but you retain management of the CRM. Public cloud software is fully managed outside of your enterprise.

As with all decisions regarding software, or any other theater of business, there are pros and cons to consider with each. Cloud computing has undoubtedly generated the most buzz as of late and certainly represents the cutting edge of CRM technology. Through use of the internet, cloud-integrated CRMs can not only store data on far-flung networks and servers, but also use those networks and their processing power to perform complex tasks and run applications. As a result, you're able to save on time and money that would otherwise be required to acquire and install hardware and software at your place of business. However, the dependency on an internet connection might make these options inaccessible to areas that don't have access to high-speed internet or require larger amounts of bandwidth than the local infrastructure can provide.

CRM Hosting Considerations	On-Premises	Private Cloud	Public Cloud	Hybrid
CRM managed by a vendor?	No	No	Yes	No
Equipment managed by vendor or third party?	No	Yes	Yes	No
Security managed by vendor or third party?	No	Yes	Yes	No
Operating software costs included?	No	Yes	Yes	No
Managed IT labor included?	No	Yes	Yes	Possibly
Business fully controls data?	Yes	Yes	No	Possibly
Meets regulatory compliance standards?	Possibly	Possibly	Possibly	Possibly
Disaster recovery for lost data?	No	Possibly	Yes	Possibly
Rapid scaling?	No	Yes	Yes	Yes

Another concern that is often raised regarding cloud-computing systems is that of information security. Thankfully, many superficial concerns regarding network security are unfounded when it comes to much of the cloud-integrated software offerings on the market today. In many ways, the distributed systems can even afford more security to information than local servers. However, there are also many local and federal regulations regarding the management of sensitive data, which is especially of interest to businesses that handle confidential health or financial records; in some cases, requiring on-premises storage or management by law.

It must also be acknowledged that many existing businesses already have and are satisfied with their on-premises systems, or at the very least they want solutions that will integrate with their existing infrastructure. They want solutions that will scale with their familiar software solutions rather than require replacement. As this article [from the Act! blog](#) acknowledges, cloud computing often involves using proprietary formats for data, so transferring between systems or retrieving data from the cloud can involve costly service requests that leave you waiting on a third-party.

And as the article also makes known, there are now hybrid options that allow you to combine the best of on-premises and cloud computing to maximize your business’s growth potential and ROI on your software. What is best for your unique enterprise will of course involve bringing in your stakeholders for discussions, so look for feedback about what kinds of information you might be handling and what the industry best practices are.

## Reporting Capabilities

When it comes to estimating or calculating ROI, there are few CRM features more important than robust reporting capabilities. One of the most elemental advantages of computing technologies is the ability to handle complex calculations, and reporting is the truest application of that advantage.

In general terms, reporting is simply how we automate the tracking of advanced statistical categories and then turn that data into visual trends, charts, and graphs. But as we all know, this kind of intelligence is so much more than merely organizing numbers on paper.

Through reporting, we’re able to get a better sense of how our business is performing at every stage of its operation, and how even marginal changes to processes can impact the bottom line.

Estimating the quantifiable ROI on reporting features can be somewhat elusive. Being able to gather and present information in an accessible format can only get you so far if you’re not prepared to act on the insight. Reporting features center on understanding the functionality of other aspects of your business.

Report Style	Description	Purpose
List/Table	A spreadsheet style list or table of data, typically unsummarized	Actionable working lists (to-do); Drill down views into actual data; Exported reports
Charts/Graphical	Summarized data represented in a chart. Frequently used chart types include bar, column, pie, donut, line. Typically allow drilldown to actual data shown in table view	Analyze data over time and/or by categories
Pivot Table	Summarized data represented in a table, typically broken out by different categories on horizontal and vertical axes	Compare the impact of two different variables on outcome

One notable advantage of reporting features is the distinct ability to make information public and centralized for all stakeholders. This can help avoid problems such as sales reps trying to obscure unfavorable numbers to avoid uncomfortable conversations. Features like goal progress reporting can also help keep everyone informed on any hiccups or delays that have occurred.

As this article from [DiscoverCRM](#) outlines, reporting can come in many different forms which offer unique insights to your employees: from sales teams, to managers, to investors and executives. Reports can center on analyzing the demographic make-up of your sales contacts, to seeing where your revenues are coming from and in what percentage, or how individual teams or reps are affecting your wins and losses. There's even now capability to track how specific changes to your business or CRM have impacted your operations over time. With the appropriate reporting features, you should never have to guess at what a change to your business is costing or gaining for you.

How your business can make use of better data will always remain up to you and your teams, but for long-term planning and ROI maximization, it's impossible to replace the tools that allow you to make sense of both your business and the world around it.

Report Category	Frequently Used CRM Reports
General	Activities by User, Account Category
Marketing Reports	Leads by Source, Volume, Status, Outcome, Product, Category; Engaged Contacts by Volume, Category
Sales Reports	Leads by Status, User; Pipeline by Status, User, Category, Product; Forecasting by Product, User, Category; Conversion Rates by User, by Product, by Category; Time in Stage by User, by Category, by Product; Wins vs Losses by Product, by User, by Category, by Competitor, by Source
Service Reports	Cases by Date, User, Status, Product, Priority, Category; Customer Satisfaction Results; Average time to response, average time to resolution, and other SLAs; Average call duration
System Admin	Active users, system usage, automated processes, error messages, record creation counts, database size

## Special Feature Sets

It should come as no surprise that one of the hardest CRM aspects to generalize about are the multitudes of unique features and options offered by vendors to set their product apart. Accordingly, all kinds of niches have opened in the CRM market, allowing for unique and specialized innovation to cater to all manner of enterprises. When considering special features, there really is no better time to get into advanced discussions with stakeholders about their vision for the most efficient work environment.

Once you have a good idea of what your various stakeholders respectively want out of your IT solutions, the acquisition process becomes much simpler. And being mindful of the software ROI means that acquisition and development process must be streamlined.

It should also be mentioned that knowing what optional features to spring for when acquiring a CRM is key to minimizing upfront costs, as well as knowing whether you'll be able to simply pay for a native extension to your existing CRM should you want a specific feature in the future.

Discussions over special features are also a great way to glean insights from your employees about what buzz they might be hearing in their field or from colleagues. The rapidly expanding market for low-code support offerings is a great example of professional driven changes in the tech field, complete with accompanying, glowing reviews from places like G2 and [CMSWire](#).

How a relatively new technology like low code ends up being projected by Forrester to reach nearly \$22 billion in industry spending, from barely a tenth of that just five years prior, is through generating this kind of professional buzz: by providing tangible benefits to businesses at the ROI level. Asking your sales teams, or your IT managers, or your marketing department just what it is that they expect out of their technology is how you gain the knowledge to make the best decision for your business.

## *Integration Capabilities*

The reality of the CRM market today is that most businesses going through the acquisition process already have existing software and data infrastructure. While it's easy to lose sight of this fact, it is truthfully one of the most important factors in considering new software solutions.

Owners and operators need the right solution for their existing, concrete, and on-going processes at the right price. And as we've discussed before, maximizing your CRM ROI is in large part about making your acquisition, development, and deployment as smooth and efficient as possible. Clearly, having appropriate integration capabilities are an absolute must.

Integration is also crucially important because it allows you to take advantage of existing software offerings, meaning you don't have to worry about developing your own tools and the associated costs. Instead, your employees, who are likely already comfortable with programs like Office or the Adobe suite of products, can continue to work the way they have been, maximizing their productivity and cutting down on training times for new hires.

**“And as we’ve discussed before, maximizing your CRM ROI is in large part about making your acquisition, development, and deployment as smooth and efficient as possible.”**

Through integrations with scheduling, email, and social media services, more and more businesses today are enabling their marketing and sales teams to work directly through the CRM to generate leads and convert them to successful sales opportunities.

This article from [IT Business Edge](#) even makes mention of how your customer service and call support infrastructure can be integrated into the CRM to make sure your reps always have the most relevant information at their fingertips, no matter where it may reside in your data storage.

## AI & Analytics

At the cutting edge of information and marketing technology lies Artificial Intelligence. Once the stuff of science fiction films and short stories, computing advances of the 21st century have come closer and closer to realizing our wildest technological dreams. One of the greatest advantages of computing technology is the ability to handle both simple and complex calculations with greater efficiency than the human mind, but AI represents the next step beyond that.

Successful modern commerce relies on parsing the immense amounts of data stored on computers or available anywhere to anyone with an internet connection. Any savvy manager has likely found themselves at one point pouring over charts, graphs, and endless reports, wishing that these systems could think for themselves and spit out the trendline or market analysis that they see as the end goal of their inquiry. It can come as no surprise then, that businesses using AI-enabled CRMs have already developed this capability for themselves and others.

Current iterations of AI technology come in two broad categories: Analytical AI and Learning Machines. While there are many differences between the two, there are enough iterations of the technology available on the market to create an entire spectrum representing the capabilities of thinking machines today.

AI itself can be further broken down into [categories](#), namely: narrow or weak, general or strong, and what is sometimes called True or super AI.

Weak AI is closest to learning machines in terms of technological capability. Weak AI focuses on replicating human behavior based on programmed parameters and has a limited range to process and respond to inputs. If you know of AI Chatbots, many of those stand as examples of Weak AI. They cannot reason but can be programmed to emulate human behavior in response to predetermined inputs. Some Weak AI do have more advanced reasoning capabilities, but typically limited to a single task.

Learning machines, as opposed to even Weak AI, do not employ any real artificial thinking or reasoning capability even when designed for a single task. Learning machines analyze existing data to find patterns and have limited ability to automatically recorrect their programming or behavior, usually changing in ways that are themselves already manually programmed.

They may understand what to do with set inputs, or when outcomes are unfavorable and require edits made to processes, but they cannot truly determine why that might be. The recommendation algorithms of popular streaming sites and apps are real-world examples of learning machines many of us interact with every day: based on past choices, they can make recommendations that fit certain criteria. However, they aren't really thinking about whether you actually want to now watch every Steven Segal movie because you caught *Under Siege* on TV once.

Strong AI when compared to weak demonstrates the real differences between thinking and learning machines. Whereas machine learning is most suited to use in cases with predefined inputs, or with clean existing data, Strong AI excels when the amount of data available becomes truly vast or is generally unstructured. Strong or General AIs have begun to emulate the kind of reasoning processes that many professionals themselves might use when looking at data and trying to gain insight or predict future trends. Additionally, as might be deduced from the name, General AI is designed to be able to handle a variety of tasks with complex inputs and outputs, without having been specified to handle those tasks ahead of time.

A learning machine might look at a history of sales data and point out a trend. A weak AI designed for the task might look at that same pattern and reason out potential solutions or ways to capitalize that involve projecting future data. A Strong AI might take the opportunity to project future sales data by automatically cross-referencing industry trend data when it recognizes its own records are incomplete or insufficient, and without a programmer having told it to do as much.

Lastly when it comes to intelligent machines, there also exists at the very far end of the technological spectrum and our imaginations: True AI. While for now it's still the stuff of science fiction fantasy novels, the specter of limitless possibility presented by a fully intelligent, sentient artificial being still guides advancement in the field. As General AIs continue development and strive toward their lofty goal by continually adding more functionality, it remains uncertain whether we will ever see a True AI in our time.

To reiterate and condense: a simplistic learning machine sees you buy a vacuum cleaner and recommends you twelve more vacuum cleaners you can buy to -- ostensibly -- assist the one you just bought. An analytic AI sees you buy a vacuum cleaner and recommends spare dust bags or considers that you've also searched for inhalers or asthma treatment advice and suggests hypoallergenic options. Learning machines can recognize patterns, but they cannot explain them or perform higher reasoning beyond pointing to the patterns and saying Look.

With AI, businesses have already begun realizing advantages like form autofill, which can scrape your data storage and publicly available information from the internet to tell you who your customers are and what their needs might be. You can then use AI to design drip marketing programs, product advertisements, even discounts, all while automating the reporting and workflow. Since the possibilities for AI are truly limitless, it may help to look at some of the other ways businesses are already using AI to get a better idea of what these kinds of features might offer in terms of concrete ROI.

Sales teams are automatically generating leads, marketing is creating personalized customer experiences without the need for the costly manual customization process, and service reps are anticipating their customers' needs rather than responding to them. It's easy to see why [Accenture projects](#) AI to increase labor productivity by as much as 40% by 2035. For growth-oriented businesses and the most highly competitive industries, these advantages are increasingly necessary for staying at the cutting edge.

## *Marketing & Services Insights*

Alongside artificial intelligence, marketing and service insights represent the integration of thinking technologies with traditional business endeavors. While artificial intelligence as a feature of CRMs is typically referred to for reporting and analytic capabilities, insights are specifically geared towards locating and presenting information that you don't already possess.

This useful [article by UMI](#) helps illustrate just what it is that makes insight generation different from other smart features of your typical CRM. The most salient differences between insights and more standard analytical intelligence features are that insights are almost wholly focused on outside information and are meant to afford you some subjective analysis as well as numerical calculation.

The idea is that insight features take that next step beyond even AI-empowered big data crunching, ultimately turning those trendlines and predictive forecasts into actionable advice for your business. No longer would you have to take time after finalizing reports to reanalyze the data and then come away with a strategy, instead you could have those conclusions and suggestions ready-made by an AI that can understand data rather than simply collect and process it.

Of course, this kind of technology offers much more for labor productivity than simply streamlining your market forecasting abilities. As [Microsoft themselves](#) have helped demonstrate, AI-powered insights are also key to maximizing the ability of your service reps to handle any number of customer interactions.

As opposed to more common CRM features that enable things like quick access to customer service history, service insights are designed to draw on the whole of available information about a topic to best aid your service reps.

With service insights, you can feed reps relevant knowledge base articles and process walk-throughs in the CRM, even as your customers ask questions or give you information about their circumstances. Without even needing to wait for your customers to finish their questions, service insights can home in on keywords and get right to solving their problems using the sum-total of publicly available information on the topic.

Much like artificial intelligence itself, there is no limit on what a creative and savvy business can do with marketing and service insights. From maximizing labor productivity, cutting down search times, and directing manager attention, to introducing new knowledge to your employees to allow them to expand their own skill sets, insightful CRM technology is advancing the world around us as we know it and changing the way businesses operate.

## *Cost*

Of course, there is no more directly related ROI feature than that of upfront CRM costs. As this catalog of features and their purpose has hopefully convinced you, what features to spring for or ignore has much more complexity beneath the surface when we start thinking about long-term results and returns.

While there is obviously such a thing as spending too much on a CRM, there is also a case to be made for possibly spending too little, either requiring future updates or maintenance at a premium in terms of both time and money.

So, in order to best control cost and to make the best selection of both your overall CRM and additional features, we recommend not only convening with your stakeholders, but fully integrating them into the decision-making process. And one of the best ways that we recommend you do this is by making sure that your employees are themselves aware of all the different CRMs and features available on the market.

Have an in-depth planning session or meeting where you can get your stakeholders to rank numerically their most sought-after features so you can get a visible order of what they believe is most necessary for their business processes. Afterward you will have a better idea of what features to prioritize, with roughly the first 20 representing must-have's, followed by highly desirable features, then potentially useful ones, and finally forgettable or even useless features.

Sales Features	
360 Customer View	
Account & Contact Management	6
Intelligent Data Enrichment	1
Data Enrichment Through Social Media	7
Profile Completeness	2
Customer Segmentation	3
Interaction and Communication History	5
Search & Merge Duplicates	8
Customer Database Analytics	4

*You may prioritize a 360-degree customer view as a highly valuable CRM feature. Within that feature, however, is the subcategory of CRM features that enable it. The above image shows numerical rankings for these subcategories, with #1 being most important and #8 being least important to the business and its CRM goals.*

But even after having successfully made a numerically ranked list of what to look for, most managers will still find themselves wishing they had the ability to understand at the margins, line-item by line-item, not just what any feature costs, but what value it might represent to the business.

And that's what we strive to deliver. The ability to drill down to what each CRM feature really means for you and your business's win rate, or average time to final sale, or your total number of marketing qualified leads generated. Because with that information, with the ability to discern how each feature might impact your business, you can do more than just make an informed decision for your business, you can make the right decision.

# How to Calculate CRM ROI

Looming large over this discussion about CRM features and ROI is the big question itself: How do you calculate ROI for a CRM or any particular feature? Much has already been said about how useful this kind of calculation would be for those in the process of starting their own business or upgrading/ changing their CRM solution. So, just how do we get to a point where we can start understanding at the quantitative level how to approach software acquisition?

## *What is ROI*

First off, just to establish a shared definition of ROI: ROI, or Return on Investment, is a numerical ratio that represents profit over cost. It is a critical tool for evaluation when it comes to business decisions, allowing stakeholders to estimate and then realize concrete numerical goals that illustrate how much any given decision may stand to earn for your business. Broadly speaking, we evaluate ROI for a feature by taking the value of that feature, subtracting from it the cost of the feature, and then dividing the total again by the cost of the feature:  **$((\text{Value} - \text{Cost})/\text{Cost})$**

This crucial bit of information lies at the heart of any number of foundational business decisions. And even beyond simply visualizing what a feature or decision stands to gain or lose your business, you can estimate and compare the ROI of various features to give you a better idea of how to organize your business's priorities.

When it comes to software acquisition in particular, having your priorities in order is an essential part of making sure that your rollout goes as smoothly as possible and that your key processes and systems have minimal downtime. Evaluating ROI is how you can make sense of not only which CRM to choose, but which features among the dozens offered you want to acquire and how you wish to go about integrating your systems and training your employees.

## *Tangible vs. Intangible ROI*

Of course, the selection process is also not merely as simple as punching in the ROI for every feature and then selecting and prioritizing the most seemingly profitable ones. If only it were that easy. Even a simple calculation like a ratio of profit over cost can get rather messy when you start thinking about how both value and cost can include several different variables like time, money, and other resources spent or saved. This is why we must think in terms of both tangible and intangible ROI.

The difference is itself deceptively simple: tangible ROI refers to all methods of calculating ROI which are genuinely quantifiable. This doesn't mean that these are perfectly accurate predictions of the future, but they are nevertheless informed, concrete evaluations of how a decision might impact your business at the most fundamental level. Tangible ROI is how we might understand how automated form generation and fill-in reduces the average time it takes to finalize a sale, saving employees time, and accordingly benefitting your business through increased productivity.

To further understand tangible ROI it can be helpful to think in terms of categories of benefit. Features that primarily enable your workers to work faster, accomplishing more with fewer people or doing more with the same, can be categorized as cutting expenses or growing revenue. Features that explicitly cut down on transaction time allow you to sell more, directly growing your business or enabling you to use fewer employees to develop leads, also cutting expenses. And the better your business functions, the less discounting you'll likely have to do because of your increased ability to control the sales process. This creates tangible ROI by directly allowing you to sell for more, as well as by allowing you to focus more of your business's efforts on selling on value rather than needing to win opportunities.

Intangible ROI on the other hand refers to everything that isn't so neatly calculated or quantified. While it might be easy to downplay intangible ROI comparatively, intangible ROI is very much as real and concrete as its more numerical counterpart. Intangible benefits can still be majorly important, but because they reside outside the realm of quantification, we must make the distinction.

Something like increased employee satisfaction is a great example of intangible ROI because, while it is well understood that it markedly increases productivity and it's something that we all have personal experience with, it's difficult to put any kind of hard and fast evaluation on how those benefits translate to ROI. Undoubtedly, the best CRM features represent both significant tangible and intangible benefits.

Benefit	Tangible (T) or Intangible (In)
Increased Close Ratio	T
Increased Employee Satisfaction	In
Well Defined Processes	In
Faster Time to Close Sales	T
Reduction in Software Development Time	T
Reduction in Discounting	T
Improved Customer Satisfaction	In
Easier Access to Information	In
More Accurate Lead Scoring	T
Decreased Support Times	T
Reduced Data Entry Errors	In
Reduced Quoting & Invoicing Errors	In
More Detailed Customer Profiles	In
Proactive Management	In

## Calculating Tangible ROI

To calculate tangible ROI, it's best to first start from a targetable, quantifiable metric. Let's say for example that we run a business that does \$100 million in sales each year, with an average of \$1 million per sale for around one hundred sales a year. If a CRM feature is advertised to us as increasing win rate by 1%, we might assume that the feature translates to an according one additional sale per year for an average estimated net of \$1 million.

However, for a true calculation, we must reconsider our assumption. Our example assumes that the 1% increase in win rate corresponds to one additional sale because our business is closing 100 of 100 possible sales opportunities in a given year. But if we up the volume and say that actually those 100 sales came from 1,000 opportunities on a win rate of 10 percent, that 1% increase in win rate might translate to 10 additional sales and millions more in additional revenue. Another thus-far unspoken assumption between both these examples is that our ideal businesses have a theoretically unlimited number of sales-qualified leads in their pipeline.

Let's look at another example of putting tangible ROI calculations into action. In this instance, let's assume we want to prove the tangible ROI of "Decreased Support Times" and how that translates to monetary savings for the company. To do this, we need three components: information about the support process, a logical assumption about the data, and a formula that we can use to calculate the outcome. Here's how it breaks down:

### INFORMATION NEEDED:

- Average salary for support analyst
- Mean Time to Repair (MTTR)

### ASSUMPTION:

- Expected MTTR due to CRM deployment

### FORMULA:

$$\text{Savings} = \text{Average Salary of Support Analyst} \times (\text{Expected MTTR} / \text{MTTR})$$

Tangible ROI calculation can also quantify the benefits of increased employee productivity. Let's say a survey of a CRM vendor's customers shows that said customers saw a 10% reduction in average time to close a sale when using a particular feature. To calculate what that feature's adoption for your business might mean, we can look at the average time to close of a salesperson, or even just their average number of annual sales.

We can then estimate the additional sales by calculating over a year how much of your employee's time was saved and then multiplying by their average number of sales and the ratio of annual sales to average number of sales per salesperson. Again, we assume that our more efficient employee has an unlimited number of leads to work with, but this is the nature of predictive analytics; while we can get closer to an accurate approximation, mastery over future events remains a little less feasible.

# The Hidden ROI Factors Costing Your More

In order to fill in the holes left by predictive analytics, it is prudent to combine that analysis with retrospectives about past predictions. Understanding just why your real ROI on a feature fell short of your initial estimates can be essential to locating other inefficiencies in your business. This is why previous examples have tried to highlight the limitations of calculating tangible ROI from the outset.

Increasing win rate sounds good on paper, but if your business doesn't have a pipeline of sales qualified leads to take advantage of the increased efficiency, you will eventually find your ROI lagging behind predictions. Being mindful of these unspoken assumptions is another critical aspect in making sure your ROI predictions are accurate, so let's look at some common hang ups so that they're easily avoided in the future.

## *Too Many or Too Few Updates*

One of the most common causes of lagging ROI has to do with a universal feature of all software: updates. If your CRM is updating too often, your business may become bogged down by the additional downtime, frustrating your employees and customers alike.

The cost of the time required to update systems is only part of the problem as well; routinely needing to retrain your employees to use new or updated features can lead to confusion or even alienation from the CRM. On the other hand, if your CRM isn't updating often enough, other software your systems need to operate may begin to have compatibility issues, or you may be lacking newer features that your competitors are able to offer their customers.

The cycle of updates also makes it necessary to keep track of which version of the software your machines are running on. Vendors that don't have remote tracking of which version of their CRM you're using can be difficult to get support from for any outages, glitches, or hiccups. Potentially forcing your business into downtime while you wait for an IT manager or other qualified technician to help.

## *Lagging Features*

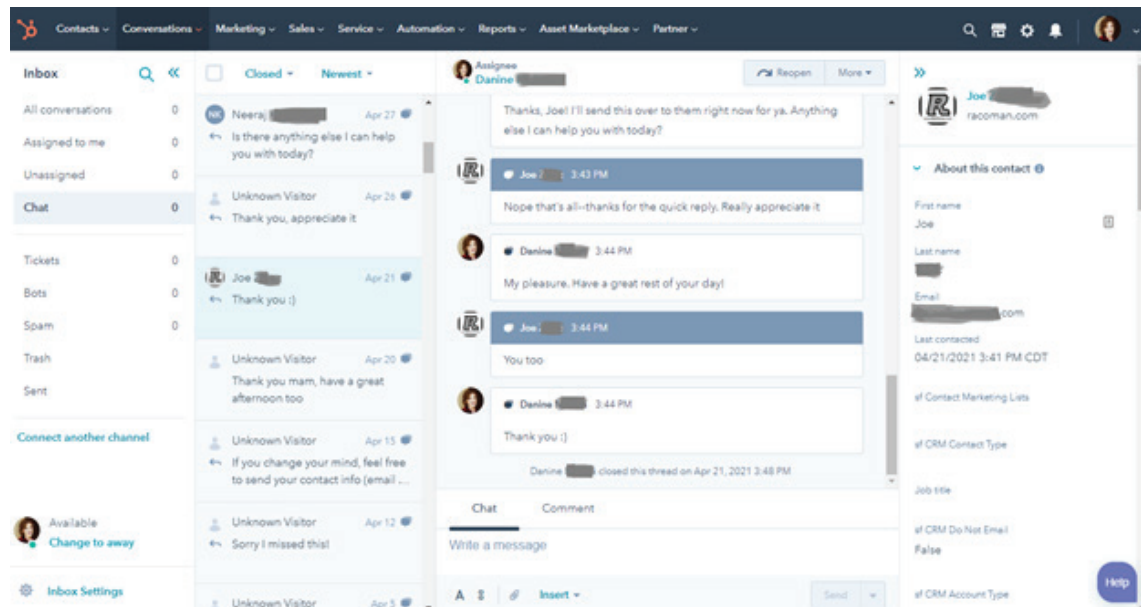
Of course, the inescapability of updates themselves is because of the constant push to deliver better service, new features, and a more personalized and seamless customer experience. Making sure your customers and employees have access to the best available features and business processes is how businesses define themselves in today's competitive, digitally enhanced marketplaces.

## No Proper AI

Another such notable case is the ever-developing field of AI powered technologies for businesses. Especially in highly competitive industries such as finance, the boosted labor productivity afforded by AI automatically handles predictive analytics, or generates and distributes leads for sales, or creates and sends personalized drip marketing campaigns to customers, etc. Increasingly these features are determining the new standards by which both customers interact with businesses and how employees themselves labor for those enterprises.

## No Chat

Somewhat paradoxically, the standard for convenient communication is a little less on the cutting edge of technology, but no less important: chat capability. It's only natural after all, we spend every day communicating with our friends and family through the ease of SMS and web chat applications.



Ex: Chat inside HubSpot

So why should our business interactions be any less convenient? Without this essential avenue for both sales efficiency and personalizing your relationship with your customers, you'll likely find a serious impact on your ability to reach and maintain your audience.

## Poor Workflows & Processes

On the employee side of things, CRM software that enables the automation and visualization of workflows and business processes has rapidly become the new industry standard. If you lack these features, it can mean added time for your employees to perform tasks relative to your competitors, and more difficulty in getting your employees to utilize the CRM to its full potential.

Additionally, there is much intangible value to be gained from having a unified, consistent process that everyone at your business can follow and understand. It allows employees to solve problems for themselves more frequently, or at least without added labor time from your IT and support professionals.

## *No Low Code Capabilities*

Similarly, support for low- and no-code development has grown exponentially over the last 5 years. The added convenience and productivity it offers has done nothing short of take the industry by storm. There's good reason why Forrester estimates that industry spending on low-code development features will top \$21 billion by 2022. If your CRM solution lacks these key features that enable your employees to act as their own coding and development teams, your ROI may suffer from the added work that your actual IT employees need to shoulder.

## *Poor UI & UX*

When it comes to hidden costs impacting your software ROI, few things are as obnoxious or as universal as the frustrations associated with poor user experience or user interface design. The time, patience, and productivity lost to things like bad touchscreen layouts, unnecessary or excessive scroll bars, or platforms that have no real back button functionality is truly incalculable.

One common metric of poor user experience is the number of clicks. More clicks complicate the navigation of the solution and frustrate users. Whether it's frustrating your customers or your employees, it's unacceptable. Don't settle for poorly designed page layouts and forms that are physically excruciating to interact with and mentally taxing to remedy.

## *Latency Issues & Errors*

On the subject of inescapable — and in this case unforeseeable — issues with realizing an ideal software ROI, it also helps to be mindful of things like routine glitches, errors, and hiccups that can cause the loss of customer data or business data altogether.

Some software offerings are better maintained, or more efficiently coded, or simply more stable than others. And underlying all computer interactions is the latency associated with inefficient or dated coding. Eliminating these small delays and inefficiencies is necessary for maintaining a good ROI in both the long and short term, and it helps for all managers to be aware of the quality of their software solutions.

## *Difficulty Customizing Reports*

And for maintaining a good ROI, few things are as important as robust reporting features. Being able to understand and visualize how a change in your processes might have altered your bottom line or general work efficiency is crucial for on-going development.

When looking at the reporting features offered by any CRM, remember to keep in mind the diverse needs of your stakeholders so that you can be sure that everyone is able to receive the information they need in the way they need it.

## Add-On Costs

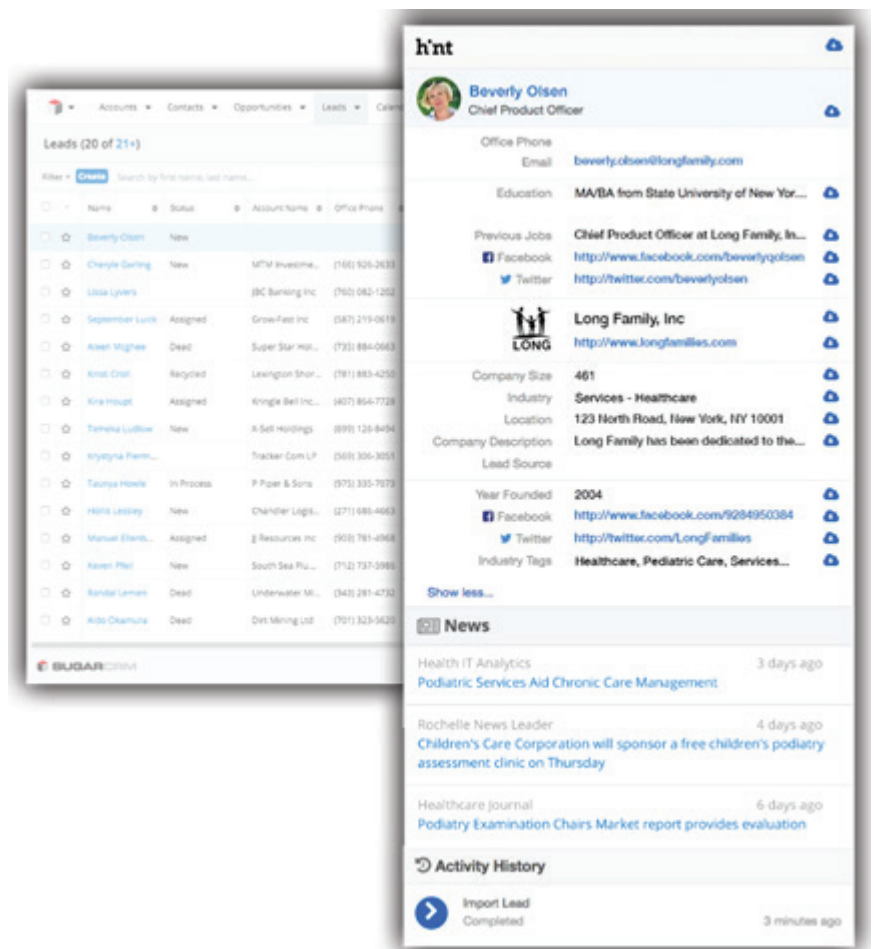
It should be well-established by this point that CRM acquisition is a process. It takes time and effort to find the right solution, train your staff, and finally deploy the software in the field. With such a daunting task, it's easy to try and approach it with a minimalist's heart. However, for a truly efficient rollout process — and accordingly a good ROI from the outset — it's best to have the features your business will need in the long run right from the start. The reasons for this are fairly self-explanatory. You want to be able to train your staff in the utilization of all crucial software features at one time and requiring third party or self-built solutions or integrations down the road is often more expensive and time consuming than acquiring supplementary features directly from the vendor. With this in mind, it can be useful to go over some of the features that businesses may commonly skip out on only to end up coming back around later when they realize the tangible value that they offer.

## No Intelligent Data Enrichment

Intelligent data enrichment is one feature that businesses often overlook during the acquisition process or when just starting up their enterprise. The added insight from live, automated, intelligent search queries and other benefits of data enrichment within a CRM may just seem too difficult to capitalize on for some businesses, but the added ability to generate leads and close new opportunities provides value to companies of all sizes.

The tangible benefit that data enrichment offers professionals is unmistakable, and that added convenience is essential for growing your business each and every day that you operate.

It's no wonder then that businesses often find themselves looking for ways to reintegrate these features later on, so it can be best to simply take the plunge, ingratiate your employees to the advantages of intelligent data enrichment, and begin reaping the rewards of knowing more about just about everything.



*SugarCRM's Hint feature provides intelligent data enrichment by pulling in additional data about a lead based on their email address and/or name. Image Credit: [SugarCRM.com](http://SugarCRM.com)*

## *Poor Customer Database Analytics*

Likewise, customer database analytics are often passed over during acquisition because smaller or newer businesses simply don't have enough customer data to make it seem like an attractive offering. Much like data enrichment though, the real value is in how it allows you to make sense of whatever data you have no matter how much of it exists.

Understanding the relationships between customer profiles is how smart businesses grow quickly and how mature businesses make the best choices about which direction to grow in. Consider getting the most out of your customer data from the moment you start serving customers.

## *Poor Process Monitoring & Analytics*

The ability to visualize complex business processes within the CRM is crucial, but if the CRM does not offer enough capabilities for monitoring and analyzing these processes, a business may find itself scrambling to compensate.

It can be very expensive to come up with a patchwork solution because of the proprietary nature of many forms of data storage. Often this results in requiring additional data cleaning or preparation to make other integrated features work properly.

## *Lacking Lead Distribution Tools*

Lead distribution is another feature which seems to fly under the radar of some businesses because there's a misconception that only larger businesses that are doing more sales have more the requisite need for it. However, one of the critical business advantages of lead distribution software today is represented by Intelligent Lead Distribution, which benefits businesses of all sizes.

Intelligent distribution uses advanced analytical data to automatically match leads to the salesperson most suited to successfully winning that opportunity. The advantage of this kind of technology isn't just the efficiency of automation, but also the way that it can be configured to improve the customer's and salesperson's experience by matching them based on preferences and data profiles.

We all know that sometimes a successful service or sales interaction depends on getting in contact with the right person for the job at both a professional and personal level: intelligent lead distribution makes that happen. Because of both the added convenience as well as the intangible improvements to business processes, it's plain to see why businesses end up coming back around to acquiring these features.

## *Limited Proposal Generation & Contract Management*

For similar reasons, proposal generation and contract management are also software capabilities that businesses routinely find themselves needing to re-acquire later in their maturity cycle. The ease of automated proposal generation belies the real advantage of being able to always have the right proposal parameters that benefit all involved parties.

## *Lacking Order Processing*

Full CRM order processing capability is another feature that some businesses may overlook when it is still feasible for them to manually handle all the quoting, contracting, and invoicing they could otherwise expedite. In time though, the added risk of manually entering data becomes untenable for even local businesses. Rather than having to integrate your on-going business and sales pipelines into a new automated order processing system after your business is established, consider building out your systems with these features available natively.

## *No Project Management Features*

As businesses tend to continue manual management as a cost saving measure, the importance of project management is lost. Unfortunately, as businesses age and expand, the management of projects quickly balloons from inconvenient to inefficient to finally completely impossible. In a digital—especially post-pandemic—world employees may be working from home, across different online and offline applications, and across a variety of programs. And with such regularity that even the smallest businesses will end up having to manage various file formats and media for web content or in-store advertisements. Having a centralized, online portal for all project management quickly becomes necessary for businesses that are even still in the earliest stages of development.

## *No Website Tracking*

Since small and younger businesses often have limited web presence, website tracking features are often another casualty of cost-cutting during the software acquisition phase. Unsurprisingly, this is perhaps one of the most common causes for software reacquisition later in a business's life cycle.

Since even in-person shopping is becoming increasingly integrated with the internet, local businesses will find customers becoming aware of their store through the web. So, understanding how people come to your site's page, or what they look at while they're there, or how long they look at it for, suddenly becomes a crucial issue even during day-to-day operation. After all, you want to make sure that your customers can easily find things like how to contact a service rep, or what hours of operation are for the day since this can often be necessary for a successful sales or service interactions.

## *Limited Email Features*

Likewise, customer database analytics are often passed over during acquisition because smaller or newer businesses simply don't have enough customer data to make it seem like an attractive offering. Much like data enrichment though, the real value is in how it allows you to make sense of whatever data you have no matter how much of it exists.

Understanding the relationships between customer profiles is how smart businesses grow quickly and how mature businesses make the best choices about which direction to grow in. Consider getting the most out of your customer data from the moment you start serving customers.

## *No Options for All-in-One Marketing/Sales/Service Suite*

The consequences of not having data readily available during business interactions are uniformly bad, so it stands to reason that another factor that limits companies' ability to realize their ideal software ROI is lacking the ability to centrally manage all aspects of the business. This cohesion of all the different departments in an online space is crucial for being able to coordinate between teams and make the best use out of all your software features. When your business lacks a central nervous system for all its technology, the inefficiency and frustration grow much like it would when your business lacks something like omnichannel communications. Hunting down information is a frustrating and time-consuming process that any person who has been on either side of a service call absolutely dreads. So why would it be any different when marketing or sales employees must similarly waste their time trying to coordinate manually with other departments?

What all that added inefficiency adds up to in the long run is decreased employee productivity, worse service and sales times, and tons of potential for miscommunication or errors resulting in loss of customer interest or business. By acquiring a centralized management solution from the outset, you can inculcate the best and most efficient internal communication for your business while developing an open and effective company culture.

## *Limited Omnichannel Functionality*

And of course, with all these various communication features and platforms, the last feature to mention is that which connects them all together: omnichannel tools. Once your business is functional and established alongside an able web presence, your database will rapidly begin to accrue names, contact information, email addresses, and more. And with the advent of direct chat features and telephony services, the number of ways an interested customer can contact your business has never been greater.

The next step is to then make sure that all that information, no matter the file format or associated application, is then readily available to whatever sales or service contact might need it, how they need it. Make sure your service or sales desk has access to all prior customer interactions so they can anticipate your customers' needs and solve their problems before they even encounter them.

# Intangible Value of New Features

When calculating ROI on software features, it may seem enticing to relegate evaluations about intangible value to the back bench, but it must be stressed that intangible value is merely difficult to quantify, not any less material or important than truly tangible ROI. This misconception is so common in fact that we'd like to highlight just how some features produce significant intangible benefits for a business.

## *Improve the Customer Experience*

One of the primary sources of intangible value for all manner of software features is the way they improve the customer service experience. As customers ourselves, we know how important the service experience is when interacting with a business. It can color our entire interpretation of a business, whether we continue shopping there, or whether we tell everyone we know to avoid it. Because of this we can infer that making sure that each customer service interaction goes as smoothly as possible yields not only tangible benefits in terms of quickly closing a case, but also long-term benefits of loyalty and word-of-mouth marketing. And on the more tangible side of things, that reduced customer churn is a definite source of efficient cost savings.

When your customers stay with your business — when you successfully develop loyalty and rapport — you reap the benefit of not having to spend money to generate leads to replace lost customers. You can instead truly grow your business by retaining your existing customer relationships while also building new ones.

## *Predict & Capitalize on Cross-Selling*

Another area of powerful intangible value are features that allow for the prediction of and capitalization on upselling and cross-selling opportunities. As consumers, we are all intimately familiar with the effectiveness of cross-selling whether we are consciously aware of it or not.

People often buy shampoo and conditioner together, or cereal with milk, so it shouldn't be too hard to grasp that this kind of behavior is predictable when paired with consumer analytics, and applicable to far more than just grocery shopping. Lacking these features can lead to tangible ROI shortfall from missing opportunities, but the more costly, intangible loss is not doing more to improve the customer's experience.

Just why this is, is perhaps best explained by this agencybloc article, "...proper cross-sells are tailored to your individual customer's needs, offering such proves to your customers that your priority is helping them achieve their goals - not making more money by pawning any old item off on them." Don't let sales opportunities slip through the cracks by underestimating these very real—but still intangible—benefits of predictive analytics.

## *Get Better Information with Web Traffic Analysis*

Web traffic analysis is a classic case of a software or CRM feature that provides so much intangible value because it generates so much crucial data that can be used to alter any number of aspects of your business. While tangible ROI may be calculated based on how much more efficiently you can design your online sales process, the intangibles come from everything else you come to understand about the customer.

What products are your customers seeing or not seeing when they interact with your site? Are they navigating straight to the homepage and moving on from there or opening links to other landing pages? Which pages are best performing on your site for people who are already on it? Is it different from the best performing pages on search engines? These are all questions which have answers which can be deduced by web traffic analysis and then used to improve your website accordingly.

## *Stay Relevant with Drip Marketing*

A feature that similarly resides at the intersection of tangible and intangible ROI is drip marketing. The tangibility is represented by the quantifiable number of sales that you can associate with the long-term marketing strategy. But just how accurately you're able to calculate that change from the outset may be challenging. Since drip marketing happens over a long period of time, the accuracy of predictions is more subject to unforeseen circumstances. What is certain however is that the presence of drip marketing in the form of emails or sales offerings can help keep your business relevant to your customers. Being able to engage in a way that stretches over periods of time and consistently looks for new ways to work for your audience's convenience will help build brand loyalty. It is precisely the kind of engagement that aids your business in presenting itself as one that is interested in solving your customers' problems rather than simply selling them a product.

## *Self-Service for Complete Customization*

Lastly, one feature which must be highlighted for its plentiful intangible value is customer self-service. As consumers ourselves, we know first-hand that the convenience provided by self-service can often be the make-or-break point for our decision to prioritize one business over another.

Self-service allows customers to fully personalize their purchasing experience and there's simply no replacement for that ability to pinpoint customer preferences. Additionally, the ability to have customers proceed unassisted through the purchasing process allows your reps to spend their time assisting other customers or generating other leads for even more long-term benefit. Instead of just increasing the efficiency of your existing sales, self-service for customers allows you to generate sales that otherwise wouldn't be happening at all, and for no additional investment of your employees' time.

# Solving Existing ROI Problems

## *Re-evaluate the CRM through a new discovery process*

Many businesses are looking for new CRM solutions because their existing ones are failing them in some capacity. Despite being no stranger to the discovery process, but having been failed by it before, some may be looking for some quick guidance on how to best approach the process this time around. So, once you've acknowledged that it's time to restart the search for a CRM solution, consider asking yourself some questions:

### **What gaps exist within your current CRM?**

Chances are you have probably already answered this question to some degree. Before beginning the reacquisition process you've probably already reached the tipping point with existing inefficiencies or an otherwise unsolvable problem. Whether that's because of a lack of features that your skilled professionals require, a lack of robust reporting options for management, or just plain technological hiccups and logistical issues, what's important at this stage is to identify all the gaps that exist with your current CRM. Don't settle for what looks to be the quickest solution to your most glaring problem. Talk to your stakeholders and get a sense of what both your biggest and smallest problems are for each one.

### **How can you find a solution that provides better ROI?**

Alternatively, your problem might not be from any one glaring issue, but just a general lack of deliverance on what your company anticipates it might be able to get out of a new CRM solution. After having detailed a vast array of features that are changing industries with their convenience and efficiency, it's easy to see why other businesses may feel let down by their solutions. In addition, it's possible that your company is already paying for features that are underutilized or simply unnecessary. In such cases it can also be worthwhile to reevaluate your CRM solution for better ROI, or try to understand if other issues, like a lack of employee familiarity, are what's causing lagging ROI.

### **What does that process look like and why is it important?**

Maximizing ROI on your CRM is already a fairly tall order, and it can be made more daunting by the fact that there's a method to making sure the acquisition process itself doesn't become overly time-consuming, costly, and otherwise burdensome. From the beginning, it's important to map out the research, purchasing, and training for a new CRM so you can set actionable deadlines guarantee you have an appropriate amount of time and resources to treat each step with the care it deserves.

This is why CRM consultants are often recommended. Years of experience with CRM costs and implementation timelines helps them make more realistic predictions of what you may face. They can look at your business processes and your goals and offer insights that support a better alternative.

## *Review the CRM ROI and its compatibility with your other existing solutions*

Perhaps the problem your business is having with your CRM solution is that you're not quite sure if it is time to move on from your existing CRM to another. If this is the case, it can be prudent to simply review your catalog of information technologies to understand if there's a way you can better utilize your existing infrastructure. With all the optional features and integrations offered by CRM vendors after you've made your selection, it can be nearly as daunting to figure out how to use one CRM optimally as it is to figure out which one to acquire. So here are some quick questions you can ask yourself and your stakeholders to get a better idea of what you do and don't need for the future:

### **Could an integration help fill some gaps?**

Depending on what the nature of your problem is, the solution may already be within your grasp. Since businesses of all sizes are now working on digital platforms that combine any number of websites, apps, and programs to produce real functionality, you may already have the tools or data you need to fix whatever is ailing your enterprise. Integrations allowing your various platforms to better "talk" to each other can help alleviate inefficiencies like manual data entry, data loss, or simply poor data organization causing increased retrieval times. A good way to approach these issues is to narrow down the material elements that are related to the problem.

Let's say for example that leads being generated by your sales reps require manual recording because your CRM simply isn't reading the forms that you receive your customer information on. The problem isn't that you don't have the data, it's simply that it's not a form that the CRM is prepared to automatically work with. An integration can solve these kinds of problems without requiring a complete replacement of your IT systems, greatly reducing the costs of the process.

### **Would customizations offer better reporting?**

A common frustration are limitations on reporting functionality. As we've observed throughout this paper, reporting is key to understanding your ROI on various features and line-items at the margin of your CRM purchase. If you're unable, or it is exceptionally inconvenient, for your managers to produce usable reports in a timely fashion, an untold number of things could be going wrong without anyone realizing it. However, seeking out an entirely new CRM solution for better reporting features may be overly drastic.

Again, so long as you have some kind of data collection going on, the problem may be as simple as making sure that your various programs and inputs are able to properly communicate. Before replacing the entire system, try customizing or further integrating your existing solutions so that your managers can begin collecting data on the stuff that really matters.

## Would an add-on module or solution enhance usability?

And of course, consider that it may be more efficient to pay for or build out an add-on feature that can solve your problem without upending your current processes. If your issue is not something truly critical related to your information technologies, reevaluate what features you may have passed up on previously or try to get a better idea of whether it's a problem that your current staff can remedy themselves. While developing your own add-on modules and solutions may be a costly process relative to purchasing from a vendor, both pale in comparison to the amount of time and labor that a full system rebuild requires.

## Conclusions & Next Steps

With so many factors involved in CRM ROI assessment, formulating the correct path forward for your business isn't always black and white. However, the goal of this paper was to highlight the must-have capabilities for today's businesses and the calculations necessary to consider these features as they pertain to your specific enterprise.

As your mind wraps around the concept of intangible and tangible benefits, the effects of features like low code and AI, and the scalability and omnichannel functions of your solutions, the steps to acting on these thoughts emerges.

To better assess your solution and uncover your hidden ROI gaps, it is highly recommended that you work with a professional consultant. Consultancies have time-tested evaluation processes in place to help you strategically assess these factors, rank your desirable features, and successfully implement or update the software infrastructure to provide the ROI you're lacking. Their knowledge of the CRM market is extensive and current because they work within the industry every day.

Consultancy teams can help you pinpoint the issues sooner and use agile, strategic project management to initiate solutions with less disruption to your business and less exhaustive research on the part of your management team. If a free CRM ROI evaluation is interesting to you, reach out to our team at [sales@techadv.com](mailto:sales@techadv.com) to schedule a discussion.