

## HOW TO CHOOSE CRM SOFTWARE

### **DON'T LET VENDOR HYPE OR THE CFO'S GOLF BUDDY DRIVE YOUR CRM DECISION. YOU NEED A PLAN BASED ON BUSINESS REQUIREMENTS**

There are many ways to make a bad technology decision for a customer relationship management (CRM) system, but only a few ways to make a good one.

More often than anyone would like to admit, the decision comes from a manager who has just returned from a CRM trade show with a bag full of marketing materials and a head full of slick demos. But falling prey to vendor hype isn't the only way to make the wrong choice with CRM technology. Here's a list of some of the responses I've heard to the question "How did you go about choosing your CRM product?"

- "The salesman gave it away for free for the first 3 months."
- "The VP of product planning plays golf with the software company's CFO."
- "Because the competition is using it."
- "Our end users liked the user interface."
- "It's only \$5 per user per month."
- "They pretty much convinced us they were "best of breed."
- "They told us the whole thing could be done in 3 months."
- "We already used their ERP product, so we thought "what the heck?"
- "I have heard the name a lot so it must be good."

The key to CRM success is basing technology decisions on a careful definition of the business requirements – the business need and the functionality required to solve that need. Additionally important is assessing the number of users required to fully take advantage of a CRM system and what the integration requirements are with other in-house applications.

Remember: Technology is just one part of CRM. Most companies undertake the CRM technology selection without really being ready to do so. They have not yet figured out how the CRM technology should align with their corporate objectives or how it will integrate with their business processes.

Change is part of CRM's territory and technology is probably the easiest area of CRM change for users to accept – which is why many CRM business sponsors begin with the technology choice.

By staying focused on your business objectives you will be guarded against extreme vendor hype and less than satisfactory results. All Rights Reserved. By LookOut Software .