

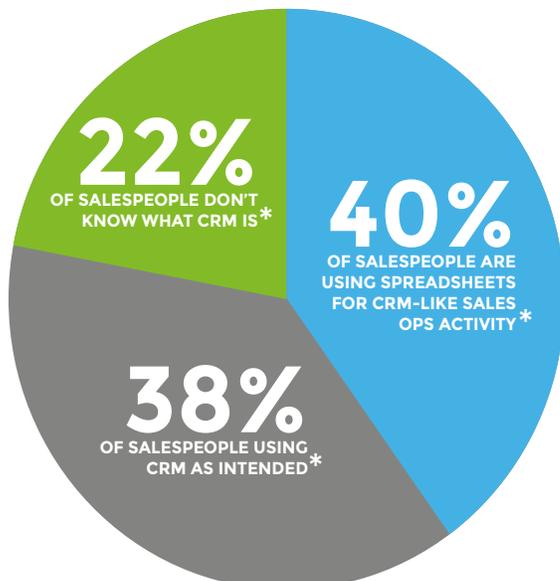
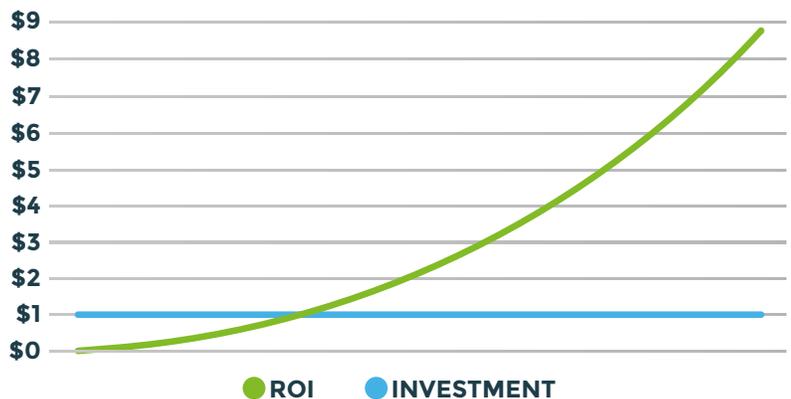
EXECUTIVE SUMMARY

How to Know If You Are Ready for CRM and 11 Steps to Help With Your CRM Investment

According to Nucleus Research, the ROI of Customer Relationship Management (CRM) software is \$8.71 per every \$1 spent.

In the Fortune 1000, CRM and marketing automation software is nearly ubiquitous. Corporate big dogs like Pardot, HubSpot, and Marketo (which recently underwent a \$4.75 billion acquisition by Adobe) run the market. They know their worth in the enterprise application stack and charge like it.

These large enterprises have mostly outpriced small business owners and independent software vendors (ISVs) from affording their products. Pardot's Salesforce CRM will cost between \$12-\$36k a year for 20,000 contacts, HubSpot ranges from \$15-\$38k annually, and Marketo clocks in at \$33k annually. ISVs simply cannot afford to purchase software at same price (potentially) per year as one full time employee (FTE,) and employ a whole team of experts to calibrate the complicated software, generate fresh content regularly to plug into the software, and train already-too-busy salespeople to use.



Speaking of CRM giant HubSpot, their 2016 State of Inbound Report shows that while most companies have a CRM, management level resources report that their biggest challenge to ROI with their existing CRM is that their sales team doesn't use it. On top of that, 22 percent of salespeople surveyed didn't know what a CRM is, and 40 percent continue to use Excel sheets and email programs to store customer data. HubSpot's most recent State of Inbound study does not share numbers on CRM adoption rates, but it does report on another surprising statistic on sales and marketing alignment. The report states: "Teams with SLAs between sales and marketing have better cooperation and performance. Marketing teams understand the impact of their strategy, and sales appreciates the leads they receive from marketing. Joint SLA efforts lead to growth." Despite this, only 26% of teams surveyed operate under a marketing and sales SLA.

* 2016 HubSpot State of Inbound Report



In our research preparing to write this whitepaper, siloed workflows between sales and marketing continue to be a recurring theme. What's more, many companies used CRM and marketing automation to help un-silo their sales and marketing teams, but the introduction of the software typically only further reveals the gaps between the two departments.

In our research and experience using CRM software in software companies since its introduction in the 90s, sales and marketing alignment needs to happen before any software purchase. And that alignment must be centered around what is needed to close a deal. Sales helps marketing understand what is needed and marketing delivers the assets and the technology to achieve this. Or else, the costly investment is wasted on disparate factions using the technology in two different directions, ultimately going nowhere.

Research from Gartner suggests that the brand of CRM you use has little impact on your success level; technology adoption by the user is rather a far more accurate prediction of ROI. Thousands of dollars a month on the latest software will do nothing if salespeople continue to store data in excel sheets and working in silos. And there very well might. CRM is a time-consuming step for salespeople who'd prefer to spend less time on data input (all to assure their managers that they are in fact doing their jobs) and more time talking to leads. Compound this with sales self-reporting that they source most of the leads themselves, and it's starting to become clear why sales may (sometimes) not be so keen on CRM and marketing automation software. While marketing automation widens the funnel of prospects, these marketing efforts are often ignored by salespeople who say they can find better quality leads themselves.

The key to SLA buy-in is making the benefit of the software apparent to the data mongers—the marketing teams capturing leads, and the salespeople nurturing them—and not the data observers – the managers and executives looking at the numbers after the fact. For the executive looking to purchase this software, these user viewpoints are essential to understand.

In our latest whitepaper, "How to know if you are ready for CRM and 11 steps to help make your CRM investment a success" Inbound Advocates lays out a step-by-step process for achieving CRM and Marketing Automation success. Throughout the 11 steps you will learn what you need to execute a winning strategy with best-practices for everything from data normalization to management practices.

IN SUMMARY

- CRM and Marketing Automation is the fastest growing market for technology spending according to CxOs in Gartner's IT Spending Survey.
- In large enterprises, the technology is already ubiquitous
- Statistics report an 8-fold ROI per \$1 spent on CRM
- Employee buy-in and adoption is the single biggest factor determining CRM success
- Employee buy-in won't happen inside a siloed workplace

Download the whitepaper at inboundadvocates.com/resources or email us directly at moreinfo@inboundadvocates.com to get the research document.

