

# Top CRM Trends To Look Out for in 2015

IoT, xRM,  
and Much More!

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# The Rising Importance of CRM

Relationships form the basis of most successful business endeavors, especially in the era of internet and virtualization where one-on-one physical contact is scarce. In order to stay “top of mind” in their target markets, companies increasingly leverage technology and new contact points to better understand and service buyers.

In this setting, customer relationship management (CRM) is paramount. CRM is a comprehensive platform that equips employees with secure access to customer contact information and preferences, along with the tools to optimally utilize this data. Every year the number of companies investing in a CRM system rises, with 91% of businesses with more than 11 employees now having a CRM platform in place.

*By 2017, the CRM market will rise to a staggering \$37 billion. (\*SuperOffice)*

Conventionally, CRMs have been used to ensure easy availability of prospect and buyer information to the Sales Representatives and the Customer Success Managers, so that deals can be closed faster and post-sale nurturing remains efficient and targeted.

However, a fleet of new developments in Business Intelligence (BI), the concept of Big Data, cloud enterprise solutions and wearable technology are pushing the humble CRM into new landscapes and usage models where it is expected to play a prominent role across the entire buyer’s journey and deliver personalized service.

74% of businesses using CRM find it to be extremely effective.

SuperOffice

This asset aims to present the top 10 most important trends in CRM deployment, structuring, customization and use, so that businesses large and small can review their own installations and make changes if their technology or approach has become outdated.

# Top CRM Trends to Look Out For

The following CRM trends have been gaining momentum for the past few years, but 2015 is expected to be the “tipping point” for many, like mobile CRM applications, and will take them from promising to prominent.

## Trend #1: SaaS Is Here to Stay

Gartner predicts that by 2015, 50% of all CRM deployments will be cloud based. When the concept and option of cloud-based enterprise software was introduced into the market with visionary platforms like Salesforce, many businesses were skeptical to say the least. They were worried about the reliability of the service, the integrity of the service providers in terms of keeping sensitive customer information safe and off-limits, and the effectiveness of the tools and features provided. It is true that around 2008, the percentage of businesses with a cloud or Software-as-a-Service CRM was an underwhelming 6%. However, with considerable investment made in refining features and the increasing robustness of cloud storage, infrastructure and computing, even legacy giants like SAP and Microsoft have ventured into the domain of SaaS. The Microsoft Dynamics cloud-based version is extremely popular and in its latest iteration (Dynamics 2015), the provisions are such that companies already operating in the cloud will face fewer challenges during mandatory upgrades like the migration of the database from the “Expanded” to the “Merged” state.

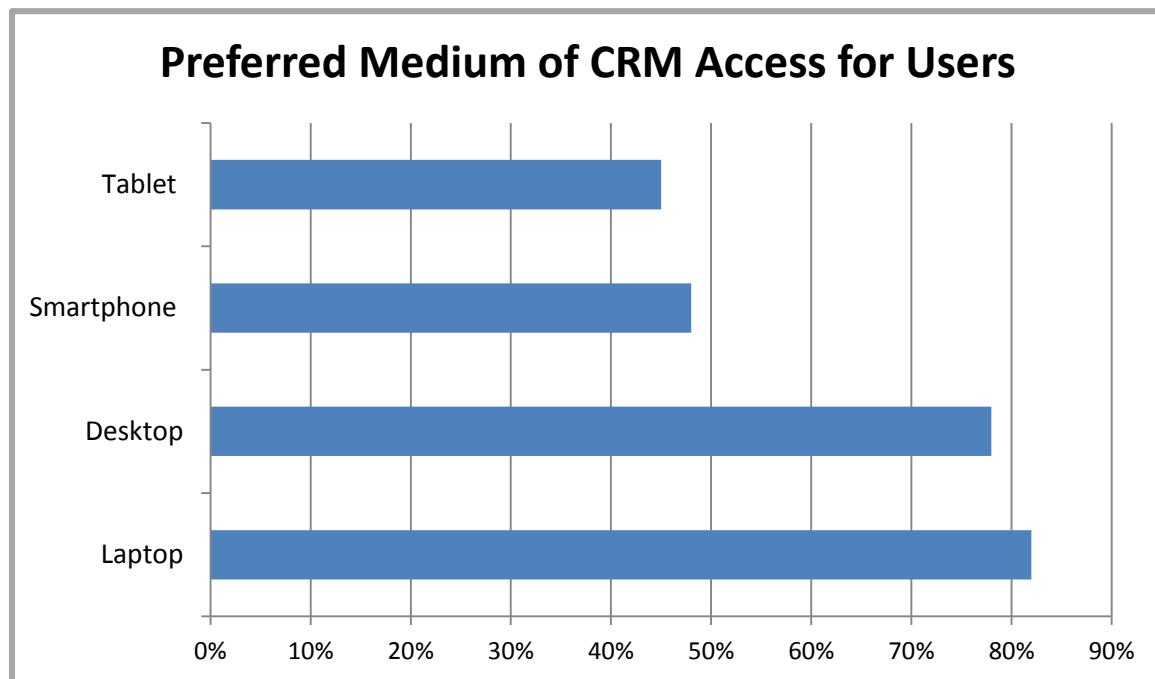
By 2015, 50% of all CRM deployments will be cloud based.

Gartner

A mini-trend is also affecting the widespread adoption of cloud-based CRM systems, and that is the need to shorten the deployment cycle. The marketplaces are becoming more and more agile with each passing year. Global events have a profound impact on local demand and price points. Therefore, businesses value highly the ability of resources both technical and human to respond to external factors and influences in a timely manner. During the rollout of a major legacy platform like a CRM, which can potentially render data unusable if glitches occur, the stress factor skyrockets and productivity falls sharply.

This is why companies choose to hand over the headache of upgrades, maintenance and development to credible service providers who take care of the product right from deployment to future customizations and additions.

## Trend #2: Mobile CRM Picks Up the Pace



Data mined from SuperOffice

According to research by Innoppl Technologies, 65% of Sales Representatives who used mobile CRM applications as a part of their daily duties managed to meet or exceed their sales quotas.

In direct and striking contrast, only 22% of non-mobile CRM reps managed to attain theirs. This speaks of a direct correlation between the use of mobile CRM apps and the productivity and efficiency of a Sales Representative.

The reason behind these statistics brings us back to the importance of nurturing relationships. In a bid to outdo competitors, many businesses are focusing on face-to-face

meetings and feedback collection sessions with clients and prospects. As a result of this, the number of field reps has risen considerably over the past few years. Even though mobile CRM has been in talks for quite some time now, it was difficult to generate enthusiasm for it mainly because of the user-unfriendly interfaces, poor button placement, lack of responsiveness of the dashboards (that is, no ability to scale the reports and data views according to the width of the smart device screens), and slow operational speeds.

81% of users tap  
CRMs from  
multiple devices.

SuperOffice

However, the scenario has changed completely and in 2015, Dynamics has set the tone for the future of mobile CRM. Not only is its application extremely sleek and easy to use, it also supports voice commands so that representatives can work hands free to call up data, input new information and in short, keep the records diligently updated even on the go.

Sophisticated CRM mobile applications also foster the *Bring Your Own Device (BYOD)* culture. Employees feel very comfortable using their own portable smart devices, because they engage in both formal and informal interactions through the medium. As a result, work-related stress is reduced and the problem of using a relatively new technology like mobile CRM on an alien device is eliminated.

### Trend #3: Interconnected Devices and the Internet of Things (IoT)

Before understanding the impact the Internet of Things will have on CRM, it is important to define this network. The internet up to now has existed in the virtual world on borrowed space within servers. However, companies like Cisco have envisioned a future where everyday objects like the television, the fridge and the washing machine will be embedded with stand-alone sensors and circuitry, enabling direct exchange of user data with the manufacturer.

The estimated value of the IoT, once it materializes, is \$19 trillion in global opportunities.

The main reason behind the drive to integrate the streams of data coming in from the IoT to a CRM system lies in a survey conducted by the Harvard Business Review.

According to the 2014 survey, early adopters who have already leveraged the Internet of Things to a certain extent have been quite pleased with results. Fifty-one percent of these respondents have indicated improvement in customer service because of direct user data availability, and 45% have been impressed by the increase in revenue from the direct sale of products with the IoT capability.

Forrester assumes that once businesses have the ability to access consumer data intimately, they will use it to:

- *Deliver personalized service.* Imagine if a dishwasher malfunctions and the company automatically sends in an expert to repair the machine. The load on the contact centers will reduce drastically, and the savings can be re-directed into research and development.
- *Take pre-emptive action.* This is especially true for medical devices like blood sugar monitors. Companies are already contemplating a system where they can deliver medicines and prescription drugs based on the history of the user if abnormalities in the glucose level are detected.
- *Ensure better planning and management.* The IoT has the most use in manufacturing units where disparate entities can communicate with each other without human intervention and standardize processes as much as possible.
- *Better gauge customer needs.* Companies can literally learn all about the habits and preferences of users to suggest refills, upsells and cross-sells to add genuine value to their lives. Right now this data is based on social signals and transactional entries, which are good guidelines, but are not 100% accurate.

James Allworth, Strategy Director of Medallia, says, “IoT means businesses have to get ready to receive feedback from more new channels such as wearables and smart TVs.”

The database of choice for this information is, of course, the CRM system, which is evolving rapidly to become a common management platform for all stakeholder relationships.

## Trend #4: Use of Predictive Analytics

Given the former trend, this is not much of a surprise. Big Data is already causing a stir in the marketplace with its promise of deeper customer insights and innovations for future strategies. Once the IoT really takes off, both predictive and prescriptive analytics will be indispensable.

Many vendors have already started integrating Business Intelligence suites with CRMs, and others are introducing plug-ins to leverage rudimentary BI capabilities.

Predictive analytics allows businesses to make suppositions about the future course of events based on existing data. The more points of contact a company has with its buyers and prospects, the more accurate the “predictions.” Prescriptive analytics, on the other hand, is used to pinpoint the reason behind sudden shifts, changes or spikes in customer (and operational) data.

80% of businesses feel overwhelmed by the Big Data challenge. Their main concern is to use the information more comprehensively and get better ROI from their data strategies.

**MYCustomer**

According to Lattice Engines’ CMO Brian Kardon, CRM is a dated technology. In most organizations, it is little more than an electronic rolodex. He is hoping predictive analytics will allow CRM users to capitalize on the Big Data and IoT information boom.

In 2015, we will see vendors like Salesforce shifting into Predictive CRM with the help of partners like Lattice Engines. These CRMs will be able to rank accounts in decreasing order based on likelihood to buy, using existing interactions with the company websites, landing pages, social accounts and even recorded telephone calls with representatives.

These customer relationship management platforms will bring together external and internal data. They will take note of market trends and will even suggest “triggers” to ensure deals are closed faster. For example, if a particular account belongs to an individual working for the government, Predictive CRMs will remind reps to mention the federal contract won by the company to favorably influence the decision of the concerned prospect.



Kardon believes the early adopters of this technology will be aggressive young MDs and CEOs who want to accelerate their GDP fast.

## Trend #5: Better Social Tools

This is the year Social CRM comes of age. Media Bistro says that *66% of social media users expect their problems to be heard and answered within a day*. These individuals do not call the contact center to lodge a formal complaint. They simply reach out to the companies on their social platforms – an extremely connected and open environment where influencing other buyers and prospects is very easy.

Thus, it is now part of company strategy to continuously monitor social posts, tweets, direct messages and mentions to spot sales opportunities and to quickly and efficiently address grievances. The swift action taken is noted by fans and users and the reputation of the business thrives.

Microsoft Dynamics has introduced Free Social Listening for its subscribers if the license covers fewer than 10 seats.

66% of social media users expect their problems to be heard and answered within a day.

Media Bistro

It is strongly indicated by the favorably market response that Social CRM will gain traction and will become the next dominant trend to shape the platform and its use.

## Trend #6: Marketing Collaboration Features

Most business gurus advocate tight understanding and cooperation between sales and marketing. In a recently conducted research effort, marketing giant HubSpot, along with LinkedIn, brought to light some insightful statistics highlighting the glaring communication gap affecting these teams.

According to the study, 59% of marketers have no formal understanding with the sales team regarding their responsibilities. And this includes the critical definition of what a “sales-ready lead” is. No wonder only 5% of marketers feel they provide quality opportunities to the sales reps to follow up on.

Social collaboration in CRMs will hopefully change this trend for the better.

The CRM is considered to be the hub and the beating heart of nurturing client relationships. Since the marketing department deals with the very same people before they make a commitment to the company (that is, close a deal), it makes sense to seek guidance from the sales department when compiling and creating buyer personas and outreach campaigns.

The earliest form of this collaboration will be a marketing department-facing dashboard of the CRM system, where members will be able to access sales team opinions and information about buyer pain points, objections and preferences.

## Trend #7: Geo-Location Personalization

Customer relationship management systems have been used to deliver personalized purchase choices and content for quite some time now. But, 2015 will see the CRMs being leveraged to fit the agile needs of buyers who are forever on the lookout for better deals. Geo-location personalization is catching on, as more and more people are conducting online research prior to purchasing a product or visiting a store.

71% of shoppers believe they will get a better deal online than in stores.

Selz Blog

Geo-location will enable businesses to *tap the coordinates of a user browsing the company website for information and deliver banner or social media ads retargeting these individuals with lucrative coupons, discounts and product choices*. The role played by CRM is significant, as reps will utilize location-centric data to make these suggestions. Thus, CRMs will not only store the preferences and habits of existing buyers, they will also use predictive analytics to map tendencies or averages for prospective buyers from the same location.

For example, if a food franchisee notices that customers hailing from a particular neighborhood generally prefer seafood, it may retarget a prospect from that region with a discount coupon for the lobster and even directions to get to the nearest outlet.

## Trend #8: CRM in Context

We have already discussed that mobile CRM applications are gradually introducing elements of intelligent functioning with voice command and Siri-like abilities.

In fact, this trend will take shape in the form of contextual CRM. Vendors are working hard to ensure that their CRM systems display data according to the needs of the user, and not pre-programmed defaults.

Most relationship management systems tend to show the same screens, views and dashboards to all sales representatives regardless of their performance, the importance of their accounts, and their past interactions with the CRM. The new generation of semi-sentient CRMs will do a better job of taking into account intangible cues before displaying data.

*“Understanding the life of a sales rep versus a sales manager is critical to providing the right information each needs to do their jobs.”*

**Kurt Leafstrand,  
VP of Products at Clari**

For example, it may give more access rights to star reps who are handling major accounts. However, if their performance falls for any reason, the privileges may be temporarily revoked in favor of prospecting trainings and webinars, all without intervention by the manager or the team lead.

CRM in context is the foundation upon which intelligent CRM systems of the future may be built – ones that can use advanced prescriptive analytics to automatically guide sales representatives to the best course of action if they sense the danger of a deal going cold.

## Trend #9: User-Specific CRM Structure

It's likely that 2015 will see the beginning of the demise of the concept of “one size fits all.” The CRM market presently comprises vendors who either advocate simple platforms with only a handful of industry-specific features, or push large integrated systems where the CRM capability is a smaller part of the business suite.

This is not the ideal state of things. A business is unique, and vendors who want to retain market share must be able to analyze the user-specific case of the company in question, and then offer tailored solutions, not just by niche but by operational needs. A small start-up may indeed require a platform that has a little bit of everything to make the most of its investment. An established company that is rapidly growing may require a bit of control over its sales representatives and employees, which ventures just starting out have absolutely no need for.

User-specific CRM structures will make life simpler for buyers, and are all set to improve the existing ROI of the platform from its current value of \$5.60 for every dollar spent (\*Cloud Sherpas).

## Trend #10: xRM Is Finally Acknowledged!

Even though xRM is fairly popular, it is not widely used. But, 2015 may prove to be a critical year in which embracing a holistic approach to relationships and contact management is given importance.

xRM stands for extended relationship management. It is very much like a CRM in its functionality. The only difference is the fact that instead of focusing solely on customers and prospects, an xRM uses its toolkit to nurture and organize strategic connections with all key stakeholders including investors, vendors, suppliers and logistics.

Currently, Dynamics provides xRM facilities to its buyers with its .NET platform. Only when there is transparency in dealings with stakeholders, and their unbiased suggestions and opinions are incorporated within the standard workflows of a business, can there be harmony in a company and better performance from sales reps and other departments.

## Top CRM Vendors of 2015

Not all of the discussed trends can be brought to the market by one vendor. However, there are some winners who are striving in the right direction and have incorporated research and development for the majority of these innovations and paradigm shifts.

The following is a list of the top CRM vendors for 2015 on the basis of user recommendations and NPS (Net Promoter Score):

- Salesforce
- Microsoft Dynamics Online
- Infusionsoft
- Infor
- Netsuite

More details can be found in Compare Business Products' [CRM comparison chart](http://www.comparebusinessproducts.com/resources/item/crm-comparison-chart/?refasset=2167), which compares over 40 vendors and solutions across 24 features:

<http://www.comparebusinessproducts.com/resources/item/crm-comparison-chart/?refasset=2167>

## Conclusion:

The CRM trends of 2015 are interesting and enlightening. There is a great deal of emphasis on improving the quality of customer interactions with a brand, and on imbuing the platform with a level of intelligence to competently assist Sales Representatives in adding value to the life of a buyer through the purchase.

This is a welcome shift from the quota-centric mindset of the last decade, and thanks to the innovations marking the future, there is every possibility of seeing brands that are truly cohesive as a unit (complete alignment between sales, marketing and other departments) and knowledgeable about their target markets.

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