Implementation of Customer Relationship Management in the Cloud
- The example of SMEs through a multiple case study analysis -
“The world hates change, yet it is the only thing that has brought progress.”

- Charles Kettering -
Abstract

Title: Customer Relationship Management for SMEs in the Cloud: a multiple case study analysis

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Key words: Customer Relationship Management, Cloud Computing, CRM, On-demand software, hosted software, Software as a Service, SaaS, implementation, migration, SMEs, risk, practical guide, roadmap, Salesforce.

Purpose: The aim of this thesis is to build a practical guide to get a clear understanding about the implementation process of Customer Relationship Management in the cloud within Small. It also describes the different concepts that are Customer Relationship Management, Cloud computing and CRM in the cloud, especially related to the SMEs, in order to have a great insight that gives the opportunity to implement successfully this paradigm.

Scientific method: The research lies in the interpretative field of inquiry. Abduction is used to combine empirical data with theoretical studies in order to investigate patterns that could give an understanding of the phenomena that is studied. Descriptive research approach using multiple-case study design is used.

Theoretical frame of references: The first part of the theoretical frame of references explores existing theories. The second part explores different means of analyzing our problematic.

Empirical method: The chosen approach is qualitative. Interviews have been conducted for data collection. Documents have been gathered and analyzed to support the interview guide. We also gathered a previous practical guide from Salesforce in order to compare our results.

Analysis: Analyzing hosted CRM implementation of three SMEs using Salesforce, it describes the key facts that have to be taken into account to implement the Salesforce CRM solution.

Conclusion: The findings show how three companies can be analyzed to draw conclusions about the implementation process. According to interviews, theories, documents from hosted CRM provider, some suggestions have been advised to avoid problems concerning the implementation in SMEs.
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1 Introduction

1.1 Background

The fundamental concept of marketing is the idea that organisations survive and prosper through meeting the needs of customer. Adam Smith expressed this statement more than 200 years ago, through his book The Wealth of Nations considered as the foundation of modern economic theory.

“The world needed three things: a more "personal" personal computer, more powerful communications networks, and easy access to a broad range of information” (Gates, 1990). Microsoft’s CEO, as a creative thinker, described in one sentence what would be the new IT phenomenon almost 20 years later. In fact, the Cloud Computing era fits perfectly this statement by getting along with the current reality.

Today, all the companies are continually connected. IT is definitely fixed and used every day as an important device. Large companies are aware of this inescapable fact and they have the possibility to invest in innovative processes in order to enhance their business. Everybody knows that innovation has a significant financial cost. This reality, Marc Benioff, CEO of Salesforce.com understood it perfectly. In 2010, he stated: “The cloud services companies of all sizes [...] the cloud is for everyone. The cloud is a democracy.” Through these words, he somehow summarized what will become the future of the next decade.

Nowadays, running a business is a daily challenge. Every manager needs to solve problems as fast as possible. Taking advantages of IT is the best solution to succeed when dealing with new challenging experiences. Small and Medium-sized companies are on the front-line to solve different issues that can be harmful for their business. They must focus on their business while trying to devote all energy to solve inner problems. Optimizing all the processes in the company and concentrating on their real purpose is the best way to thrive.

The emergence of cloud computing is potentially one of the major progress in the history of computing. However, companies must have a clear understanding of the situation and the multiple issues they can encounter when using this new technology.

All kinds of companies are relentlessly cost-focused. Investment must be well thought to be profitable. Controlling costs is a tough process that is why buying services instead of long-term acquisitions is seen as a better solution (Williams, 2010). For instance, car companies use leasing method in the perspective of controlling their costs with a defined price every month. Maintenance, insurance, etc. are included and the financial department can easily predict the costs. Cloud computing, and more precisely Software as a Service (SaaS), is exactly the same. The service is seen as an on-demand service, the customer pays what he is using. Thus, this solution is more profitable for SME that are not able to invest in expensive and complex computing infrastructure.

Moreover, SMEs are growing fast, they need to adapt quickly in order to remain onto the market. Cloud computing can be the answer with the pay-as-demand model and the adaptation could be realized on a short-term period.
As a matter of fact, Customer Relationship Management has always been one of the most important concerns for all managers. Consequently, constant efforts are completed to alter and improve the characteristics of this promising field.

Therefore, we believe this thesis will show interesting facets by mixing these three topics such as cloud computing, CRM and SME.

1.2 Problem

Currently, numerous large companies have already invested a significant amount of money in developing a CRM in the cloud solution. As one of the leaders of CRM in the cloud solution the talented provider known as Salesforce, is the main evidence of this statement. In fact, successful and well-known companies such as Dell, Cisco, Allianz or Swisscom have already trusted Salesforce solution to manage their CRM software.

Moreover, small and medium sized companies represent a wide business area when dealing with CRM in the cloud considering that SMEs\(^1\) represent over 95% of enterprises in the UE (The European Commission, 2003). They stand for a key feature in the worldwide economy and they contribute to the national economy growth by creating employments, investing and exporting.

However, plenty of managers have already been aware of the relevance of going in the cloud for different part of their activities. The first reason is that they heard about it but surely never been interested enough to make enquiries or migrate to it.

In May 2010, GFI Software published a report about SMEs and cloud computing. Some statements were quite surprising according to the high potential of this new IT paradigm. Here are a few examples of the key findings:

- “Only 10% of senior business decision makers in Small and medium-sized Enterprises (SMEs) claim to fully understand what cloud computing means. 62% have never heard of cloud computing. A further 13% have heard of it but don’t know what it means.”

- “24% of IT professionals have either never heard about cloud computing or don’t know what the term means.”

Even if most of the managers are not aware that they are using this kind of services, they actually do. The best example is that they use Google Apps with Gmail, Google Documents, Google Agenda, etc. They know this solution and often like it. Frequently, Webmail or cloud solutions’ users do not even realize that they are using this hosted software.

Even though, well-respected research firms, such as Gartner Inc. and Meta Group Inc., stated that 50% to 70% of CRM implementations fail (Myron, 2002). This statement still seem surprising according to the importance of the first hand CRM solution in the company.

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\(^1\) Less than 250 employees in the EU (European Commission, 2009) / Less than 500 employees in the US (U.S. Census Bureau, 2009)
1.3 Purpose

The aim of this bachelor thesis is to clear up the process of migration into the cloud concerning the Customer Relationship Management for Small and Medium-sized Enterprises. Different pitfalls could appear during the process and we would like to emphasize the main important key points for managers to get in the cloud successfully. Further, we would like to find out which are the essential points to focus on. Finally, as our last goal, we will try to suggest the best way to avoid traps.

1.4 Research question

The question “why some SMEs chose to adopt Enterprise system (ES)” has been studied in many different ways. We did not want to focus on the reasons why a company chose the ES but more on how they can implement and migrate to this ES. Concerning the hosted CRM, the topic is still under-studied if we focus on the implementation part. This thesis intends to fill this gap by developing an overall understanding of the current situation and clear up the implementation process of such a CRM solution. We came up with the following research question:

“How do SME’s successfully implement a CRM solution in the clouds?”

However, this research questions is a bit too large. That is why it could be interesting to focus a little bit more. It is important for us to have a final relevant goal we can focus on. As a matter of fact, a theoretical discussion would be relevant but we would like to go further and also focus on the practical part. We finally decided to set the subsequent question:

“Which strategy is considered as successful to implement a hosted CRM solution in SMEs?”

To answer to this question, we decided to establish a practical roadmap to have a suitable pattern for the implementation.

1.5 Research Outline

This thesis will be developed in eight chapters. Below is an outline of these chapters:

Chapter 1: Introduction

This chapter presents the background to the chosen topic. Followed by a discussion that results in the research question and purpose.

Chapter 2: Concepts

This chapter presents the two concepts that are Cloud Computing and Customer Relationship Management. These two subjects can be considered as complex, or at least not well known enough to be fully understood without some basic explanations. This chapter helps the reader to have a better comprehension.
Chapter 3: Literature Review

In this chapter, main articles and books that have been used to build our theoretical framework are presented.

Chapter 4: Theoretical framework

This chapter is based on selected theories related to our topic. In more details, it will be divided in a few sections:

- Definition of Cloud Computing and more precisely Software as a Service solution. Cloud application, market, the limits of this service and issues encountered by companies.
- Definition of Customer Relationship Management, application, market, principal issues through a few examples.
- Overview of CRM in the cloud, presentation of the current market.
- Definition of two theoretical models that will be used for the data gathering and the analysis: TOE framework and Kepner-Troeger Matrix.

Chapter 5: Method

In this chapter the choice of method and approach used in this study is justified.

Chapter 6: Empirical findings

This chapter narrates collected primary data.

Chapter 7: Analysis

This chapter links the collected empirical data to the theoretical framework.

Chapter 8: Conclusion and implications

In the final chapter, according to the purpose of this study, the answer to the research questions will be provided. The conclusion will be followed by suggestions for further studies.

1.6 Audience

This thesis could be useful for different business sector. Judging by the amount of Medium Enterprises, the interest might improve considerably the global view of using a CRM solution in the cloud. In addition, this thesis could be a nice clear up for those managers that still vaguely understand and acknowledge this new concept.

Besides, even if it is delicate to reach Cloud Computing providers, this thesis could be helpful to get some explanations about how to improve their services. Despite the fact that some companies have already their own Quality of Service (QoS) strategy, this new
approach could be considered as innovative. Actually, we would like to be in the SMEs’ shoes to understand all the challenges they can encounter throughout their entire implementation process.
2 Concepts

2.1 What is really Cloud Computing?

2.1.1 Definition

Cloud computing is a relatively new concept in the IT business as well as in the companies likelihood. The best way to comprehend a new concept is to have a precise overview of the current market.

According to a study realised in 2008 by IDC, the cloud software are more and more common like the following chart shows.

![Figure 1 - Evolution of the SaaS market compared with traditional market (IDC, 2008)](image)

Considering that “Cloud computing” was elected “word of the year 2011” by the daily newspaper “Le Soir” in Belgium (Le Soir, 2011), our thesis seems to be in the nick of time.

Cloud computing is an on-demand service for IT software. This latter is often based on virtualization and distributed computing technologies.

This new computing paradigm can be divided in three categories:

- Software as a Service (SaaS): is a software solution usually distributed through Internet and used within a web-browser. As soon as the software is used, the update is automatically made. The following key features need to be pointed out:
  - Administration facilities
  - Better collaboration and global accessibility
  - Internal compatibility: same release for all the users
  - Automatic updates and easy developing management
This kind of solution is the most SME’s oriented because it is one of the easiest and the fastest one to implement. As an example, the widespread SaaS solutions are, among other things, Dropbox (web-sharing files and folders) and Google Docs (web-sharing documents).

- Platform as a Service (PaaS): is a development system solution where the developers can create an entire environment through API’s (Application Programming Interface). The entire configuration can be made remotely and the PaaS offerings facilitate deployment of applications. This solution provides all of the facilities required to support the complete life cycle of building and delivering web applications and services (Hinchcliffe, 2008). Examples: Azure from Microsoft, Force from Salesforce or Google App Engine from Google.

NB: API or Application Programming Interface is a set of specifications, considered as an interface, that software programs can follow and take as standards to communicate with each other.

- Infrastructure as a Service (IaaS): is the lowest level of service available in the cloud. It could be summarized as an entire computer that is at the company’s disposal 24/7. This management can be made remotely though different API’s or with proprietary software. This solution offers the most flexible service but is also the most complex to administrate. Consequently, financial means must be higher. Examples: EC2 from Amazon or Windows Live Skydrive from Microsoft.

![Cloud Computing: "Everything as a Service"](image)
In the X-as-a-Service taxonomy, cloud services are classified by the level of pre-packaging offered to the consumer of the specific service. An IaaS provides computing capabilities in the most basic form and hence offers the greatest flexibility. At the highest layers, there is less flexibility but also less complexity to be managed" (Rosenberg & Mateos, 2011).

Many vendors provide all of the three services and some of them are more focus on one offer. This thesis is focusing on the CRM in the cloud. This service is provided throughout the Software as a Service.

2.1.2 Business model

A survey conducted in 2009 by the European Network and Information Security Agency highlights that the most important strategic factors to get in the cloud are not only the reduction of long term investments but also the costs decreasing.

It seems interesting to analyse the current distribution system concerning the SaaS. A few years ago, the traditional business model was a one-time payment for unlimited use. Sometimes, additional costs were associated when a new version is released. Now, with the cloud-based system model, it is totally different. The customer will pay the cloud service provider on a consumption basis. It is quite similar as the leasing of a company car. The price included a full service plan and works very much like the energy sector model: pay what you used or Pay-as-you go.

This business model is based on an economy of scale. The provider can drive the prices down for users because all the users are not using resources at the same time. The principal goal of the provider is to optimize its servers and resources to potential global use.

As previously noticed, the customer is charged on his real use (Foster, Zhao, Raicu, & Lu, 2008). It changes totally the conception on financing this service. Every additional user has to pay to use the software. The access to the database and all the resources available from the company or from the providers can be consulted and instantly modified.

Furthermore, the Freemium business model is often used in the software distribution. “Get the basics for free, pay for more” (Osterwalder & Pigneur, 2010) is a common supply solution in the online software distribution. The best example is Skype. It can be used for free to call other Skype users but you have to buy some credits to call mobile phones or have additional options such as an online voicemail. SaaS’ providers could have used this business model but they preferred offering a trial period for free (Salesforce.com, 2011).

As the system is relatively simple to integrate and get used to it, this trial period is a very profitable solution to have a great overview of the different possibilities the software can offer. It is essential to notice that this free trial period can be an interesting advantage for small organisations before investing more.

2.1.3 Grid computing and virtualization

Grid computing and virtualization are the precursors of the current cloud computing. Grid computing consists in the combination of computer resources from different domain to reach a common goal. The main difference is that grid computing delivers storage and
compute resources. Oppositely, cloud computing is more based on delivering more abstract resources and services (Foster, Zhao, Raicu, & Lu, 2008).

Virtualization is included in the Cloud Computing concept. It consists in accessing a full hardware and software solution through Internet via a guest account. This alternative provides the possibility to operate on high performance computers without any additional costs and is still the main PaaS concept.

These two concepts are now gone ahead with cloud computing which provide all the advantages from both services included in one and accessible from everywhere.

2.1.4 Public, private and hybrid cloud

The cloud can be divided in three categories. It is important to make the differences between them since the required infrastructure is different for almost every company. A cloud solution could be seen as warehouse where all your data are stored and are accessible in real time. This storage space could be in house or provided by a third party.

The Customer Relationship Management mainly use a public solution provided by the software vendor. It is easier for the provider to maintain the system up to date when it is its storage. The company using the service does not have to worry about the servers maintenance can save a significant amount of money avoiding this costs.

The only alternative where a SME would like to use its infrastructure is when the company has already one. This way, the investments realized before in order to have private servers can be utilized.

Additionally, a solution can be built on the existing infrastructure and using a cloud provider. It is called hybrid cloud. For many investors who already have in-house structure, this solution is the most reliable on a long-term point of view. It is easier to understand with a diagram (NSK Inc, 2009):

![Figure 3 - Public, private and hybrid cloud (NSK Inc, 2009)](image-url)
Every solution has its positive and negative sides. For instance, the public cloud is simple and scalable. The connection to the application is made through Internet and the user do not have to worry about the rest. The public cloud provider is responsible of all the maintenance costs (NSK Inc, 2009). Obviously, there is also drawback such as the limitation of the Internet speed connection.

Oppositely, the private cloud involves more investments and monitoring. However, the infrastructure is more efficient in term of speed and control. Every solution should be analysed and capitalized before investing.

The last type of cloud computing is the hybrid cloud that combine both, public and private cloud. This model fits for company that would like to have control over their data storage but needs more space for archiving data. The hybrid cloud can be seen as a long-term intermediary step. Once again, every company has different needs.

Concerning the Customer Relationship Management, the three solutions can be available and it depends on the existing infrastructure, time and money the company would like to allocate to the project.

### 2.2 Customer Relationship Management

A CRM service (Customer Relationship Management) can be defined in many different ways. Basically, it is a tool that permits a company to build, manage, and preserve customer relationships.

In a general view, CRM is a tool that permits a company to establish, develop, and maintain customer relationships in a long-term orientation. It enhances relations between customers and suppliers and also between two suppliers. CRM helps a company improve its customer orientation, as it is necessary for the company’s realization and profitability.

Moreover, a CRM can be classified into two categories: Strategic or operational (Keith, Richards, & Jones, 2006).

The strategic CRM is defined as a process that provides detailed information about the customer. It identifies and creates customer knowledge. Thanks to the CRM, the company will be able to build customer’s perception of the company and its products. It will therefore get a complete notion about its customer, its behaviour, needs and wants.

On the other hand, the operational explanation is different: CRM also helps a company gather customer data, evaluate the customer that has the highest potential, and maintain his loyalty by delivering him more efficiently customized products and services.

That is why an other side of the CRM will be considered: the CRM as a software will be defined as a tool installed and deployed inside a company, specifically depending on its size, its way of working and its needs. The matter of this software, which perfectly fits with the company’s system, is to help identifying, managing, and maintaining customer relationship and database in order to deliver customized product or services. This process would therefore lead to a complete satisfaction and loyal behaviour from the company’s customers.
2.2.1 Matter and importance of CRM

CRM is crucial within the company, it helps the top management decide on the future missions objectives and activities of the company.

It is essential first because it orients the company to a customer perspective. This tool permits the company to gather a detailed customer data. Concerning each single customer it has information about: its satisfaction degree with the previous product, the complaints, the nature of the complaints, their personal requirements regarding the shipping and the products etc. Consequently, the company will be able to resolve issues that may be encountered with a better efficiency. For example, when a customer claims something about a delivery delay, he will get an answer right away instead of waiting a long time for the information to go through many departments. The representative of the customer support will give him the information he or she needs in a very simple, clear and fast way. A CRM permits the support staff to be more efficient and productive in their tasks.

Furthermore, it also completely improves the internal process. For example, the communication within the company is much more fluent, the information sharing and flow among the departments is much more smooth, but not only, the CRM helps the company in many perspectives such as marketing field because it is easier to make marketing campaigns and identify a customer for example. With CRM software, the company knows how to orient its marketing campaigns, which idea to use, which one not to use depending on its degree of effectiveness and impact.

From a sales perspective, transactions are much more fluent, the information is shared faster between employees, and the customers records are updated in a real time.

Then, the field service perspective (internal) is the third area in which companies work better. In fact, the CRM is obviously helping companies with their customer issues and problems. These issues are solved very easily and in a quick way.

The last perspective which the companies can take advantage from is the customer service field (external). Actually, the CRM permits the company to have individual relationships with their customers. It allows the company to know very well the customers. The enterprise will therefore be able to provide him a customized customer care.

2.2.2 Investments

There are many things to consider before investing for a CRM system. In fact, there are different types of investments:

The indirect investments are the technical and human infrastructure, and the external service. The technical infrastructure means hardware and software infrastructures, cables and network operating system. The human infrastructure is the potential users who need to be trained in order to use efficiently the CRM system: the company needs to train your employees, the sales force, the customer service reps and the marketing group so that they can use the CRM system the most effectively as they can.

The external service investments are essential: Employing external marketing and process improvement consultants are important. The banking area can be taken as an example when it deploys its banking online system. To achieve this goal it has to make an advertising
campaign throughout the marketing service. It has to convince the customer about the benefits of using the banking online service and therefore change their habits.

Besides these indirect investments, the organization must consider the direct investments that are the software fees, maintenance contracts, networking hardware, and networking operating system. These costs are strongly variable. They depend on the nature of the software, and the number of user. For example, there is a difference in terms of price between stand-alone software and more comprehensive and sophisticated CRM software. The first one, which is more suitable for small businesses cost about $200 for a unique license, whereas the other version costs from $12000 to $15000 per user without counting the annual maintenance fees (generally 30% of the software cost) (Bergeron, 2002). To use all these tools, you need a laptop for a mobile sales force, wireless modem, and monthly connection fees. The company must understand that the material costs are considerable. Owning a PC, including the hardware costs and the time spending in getting everything ready can cost about $5000. All these budget forecasts seem to be a bit expensive according to our opinion, but a sample of theory is the following: “Consider that the industrywide estimate for the annual cost of owning a pc in an office setting is about 5000$, which includes the initial cost of the hardware and the time lost getting everything up and running. There is also the ongoing cost of keeping the system running, including training new employees”. (Bergeron, 2002) Moreover, it is important to have in mind that the computer and informatic market is highly competitive and fast growing. The budgets could be updated every two months.

To summarize, in order to get a profitable investment, not only the material side of a CRM implementation needs to be considered, but also the training of the workers that are willing to use the system.

2.2.3 Market

The CRM market is currently in an important growing period. According to the research firm Gartner, the CRM market represented more than 9.15 billion US dollars in 2008. In other words, it represented a growth of 12.5% compared to 2007 (Delfau, 2009). A growth of more than 50% is planned between 2008 and 2012. The leader company is SAP, which owns 25.4% of the market share (ibid). Its main competitors are Salesforce, Oracle and Microsoft.

Concerning the investments, 53% of them are in The United States of America and 32% in Europe (Diz, 2008). Moreover, this thesis is more precisely focusing on a particular type of CRM: SaaS. It represented more than 15% of CRM market in 2007. According to the Gartner Group, SaaS has a very promising future since it will be very important and useful, even for sourcing strategies. The customer’s attraction to the SaaS will increase due to its ability to provide personalized and suitable solution for any business sector (Basyn, 2011).

Besides, according to the analyst Hai Gong, this shows that the enterprises’ strategy is changing. The enterprises are not only focusing on reducing costs anymore, but also on growth. They are more interested in technologies that involve the consumer communities and social networks. According to Gartner, SaaS model is one of the great successes within CRM software. In 2011, it should represent 4 billion dollars, which is 35% of the CRM turnover (Basyn, 2011).
To sum it up, the impact of a CRM system on a company has a huge positive effect. Nevertheless, getting a successful CRM within the company is not that simple. Actually, the efficiency of a CRM system depends mainly on its implementation process and can differ depending on both the CRM provider and the customer company.
3 Literature review

Previous literature has already discussed the three main topics, CRM, Cloud computing and SMEs. Cloud based-CRM and Cloud computing for SMEs have been discussed in different articles.

We decided to discuss the implementation of cloud-based CRM in SMEs because the topic was not enough discussed from our point of view. The only interesting document that has been found is a previous implementation guide that Salesforce published in June 2010. Obviously, this guide published by hosted-CRM vendor praise the advantages of its solution. We would like to have a second opinion from the user point of view.

Before getting in the cloud for CRM software, we were more focused on describing theoretically the different concept. The following items are the literature that has been reviewed to reach our purpose.


  “[…] This article highlights some aspects of this uniqueness and also explores some of the concerns that might be preventing some companies from adopting it. Notwithstanding these concerns, it is argued in this article that cloud computing is likely to prove commercially viable for many small and medium enterprises (SMEs) due to its flexibility and pay-as-you-go cost structure […] A case study of a cloud experience by a British SME is also presented in this study in order to further highlight the perceived values of cloud computing in terms of cost and efficiency for real small enterprises.”


  “The success of e-CRM implementation is dependent on how the initiative is deployed initially […] This study examines three different approaches to e-CRM implementation by 3 SMEs with a view to identifying commonalities and differences in approaches and how these impact success […] The study indicated all three organizations gained benefits from e-CRM implementation although different processes, technological platform and costs were involved.”


  “[...] It appears that a wide adoption of cloud computing in the foreseeable future is inevitable, and its adoption will bring about a sea change in the pricing and distribution practices for both software and hardware. There are, however, various issues that will impede adoption of cloud computing. Most of them can be solved. We discuss the status of cloud computing today and various adoption issues […]”

*Here, the authors give a complete definition of the CRM itself. What is it exactly? What are the benefits for the company? What are the advantages and disadvantages of this tool? The article answers all these.*


*This book deals with the conventional CRM, its definition, issues that might be encountered during the implementation, the technical and financial aspects. A useful tool for this thesis since it goes through a comprehensive explanation of the pre and post-implementation of CRM.*


*“The purpose of this paper is to develop a model that can be used to predict which small to medium-sized enterprises (SMEs) are more likely to become adopters of enterprise systems (ERP, CRM, SCM and e-procurement) – Direct interviews were used to collect data from a random sample of SMEs located in the Northwest of England. “[...] – The model can be used to assist software vendors not only to develop marketing strategies that can target potential adopters, but also to develop strategies to increase the adoption of ES among SMEs.”*

This list is not exhaustive at all. Many articles have been used all along the reflexion process but those previously mentioned are the strong basis for our theoretical framework. Furthermore, different other articles and books were consulted in many places such as Halmstad University Library, Halmstad City Library and various databases such as Google Scholar, ISI, Science direct, etc. Moreover, a few articles in French were analysed due to the native language of the authors.

During our researches, different keywords were used. Some examples among many others are “Cloud computing”, “SaaS”, “CRM”, “Customer Relationship Management”, “Integration CRM”, “CRM in the cloud”, “Cloud and SME”, etc. Nevertheless, the methodology used is explained in more details in the section 5.3.
4 Theoretical Framework

In this chapter, the main studies previously quoted will be reviewed to bring an eligible theoretical framework. Further, the contribution of this thesis to the current existing literature will be argued.

4.1 Cloud computing adoption

4.1.1 Overview

According to the European Network and Information Security Agency (ENISA), a 2009 survey called “An SME perspective on cloud computing” has shown the main reasons of a cloud solution adoption.

![Image](image.png)

Figure 4 - What are the reasons behind your possible engagement in the Cloud Computing area? (ENISA, 2009)

As seen on the above chart, three main reasons stand out more than the others. If the two first are analysed, it can be seen that managers who decided to use a cloud service agree that avoiding capital expenditures in IT is the most important key word for adoption. Flexibility and scalability are the second most sizeable features.

“The cloud will become a real engine of growth for early adopter companies” (Rosenberg & Mateos, 2011) could be considered as one of the key sentences. As a matter of fact, early adopters will be represented by start-ups. The cloud strongly supports innovation and give
the possibility to trial new ideas such as products that companies want to try. Start-ups preferred to invest in new technologies than in expensive IT infrastructure to experiment their new products (Rosenberg & Mateos, 2011).

The implementation of a web-based solution for the company is still a complex task. Every company has its own management style and ERP (Enterprise Resource Planning). Consequently, all the software cannot be used directly out of the box (i.e., plug-and-play) (Sultan, 2010). Many opportunities are available for the customers. This emerging computing paradigm is an appropriate IT technology in the current situation. Moreover, the economic climate has not totally recovered from the financial crisis in 2008. The flexible costs structure and scalability are competitive advantages for companies that do not want to invest in expensive loans with high interest (Sultan, 2010).

4.1.2 Integration perspective

The implementation has some financial implications. Regarding every new IT program, budget must be allocated to migration and. Afterwards, a single per-use charge included the full service plan such as hosting, maintenance, and support services. (Sun, Zhang, Chen, Zhang, & Liang, 2007).

Most of the time, companies do not live at the “Stone Age” and already have an IT on-premise solution. In fact, if large amount of money have been invested in IT previously, it is not possible to invest directly in a new technology, even if it proved that it is reliable and there is no doubt about the ROI (return on investment). According to a survey conducted in 2007 by AMR Research, on 639 companies, 70% would have integrated a “cloud side” to their in-house solution at that moment. In this manner, they could go on with their present installations and the evolution can be made step by step (Sun, Zhang, Chen, Zhang, & Liang, 2007).

Some drawbacks can be analysed with a slow adoption style. Software as a Service is often a full solution software for one department (sales, supply chain, etc.) and in order to take advantages of the migration, everybody should have a special formation with the new software. These costs should be taken into consideration in the global price.

The delicate part of the integration is to have two solutions living under the same roof. At this time, the cloud service could become a hybrid cloud solution. The following figures show perfectly what are the SMEs expectations regarding the type of cloud (see 2.1.4 for definitions).

![Figure 5 - Which solution do you see as the most suitable for an SME, according to this possible Cloud Computing taxonomy? (ENISA, 2009)]
The integration is a real challenge for the provider who has to offer the most suitable kind of cloud for every company (European Network and Information Security Agency, 2009).

Furthermore, every department (CRM, HRM, Supply Chain, etc.) have connections between them. The problem is easily found: applications must be deployed all together to maximize profits. However, the cost of the integration for more than one department is much higher. A plan should have been set before the beginning of the process. Anyway, the data synchronisation is the key feature to success. This is also the reason why a competitive and professional vendor has to be chosen.

Besides, migrating to a full cloud solution in every department is the best alternative to have a standardized IT solution. The earlier the technology is accessed, the easier it is. Every piece of information from all the departments can be stored and updated in the cloud and easily used whatever the sector.

Moreover, even if the software is almost ready-to-use, customization is needed to meet the company’s requirement in order to be as effective as possible. A company with 1000 small or 10 big customers have totally different management styles. The provider will always try to supply standard software that every company can modify fast and without any problems.

According to the authors of “Delivering enterprise resource planning systems through application service providers”, the next step in the cloud computing solutions integration will be a more lightweight approach. (Currie, 2002). A browser-based approach inspired by Web 2.0 model is the step further.

### 4.2 Adoption issues

Many surveys were conducted in the past decade about the drawbacks of cloud computing for SMEs. Even if small organizations have fewer impediments than large companies adopting new technologies, SMEs still have some. Here are the main broad outlines.

#### 4.2.1 Outage

Outage can be the most random problem. Actually, outage concerning the bandwidth or the electricity can be avoided, but all the solutions are expensive. This problem appears to be inevitable (Kim, Kim, Lee, & Lee, 2009)

Three different approaches can be discussed. First, the cloud service provider has to be reliable concerning its product and have an electricity backup. This is normally the case for all of them but a problem in their infrastructures can always occur. Secondly, on customer side, he or she can subscribe to different providers in case of emergency. But this solution can erase the positive financial part of the cloud computing. Finally, there should be a mutual agreement between the customers and the providers for an emergency solution in case of temporary outages.

Furthermore, it could be said that only non-critical mission should be in the cloud. This statement lies in opposition to the implementation of an entire department in the cloud. Reliability is definitely a key factor for providers (Kim, Kim, Lee, & Lee, 2009).
As examples, Amazon, Google, IBM, etc. have experienced highly publicized outages during the past couple of years (Kim, Kim, Lee, & Lee, 2009).

4.2.2 Security

100% security is simply impossible. The cloud can be seen as a gold mine for hackers who would like to gather some crucial information. However, generally, SMEs do not have enough financial resources to secure even their in-house servers. Consequently, a cloud provider has more resources and more security engineers to thwart this problem. Anyway, the cloud service provider should be more motivated to do their best to secure their servers and data (Kim, Kim, Lee, & Lee, 2009). Some companies could hire security experts to add one more security layer on the existing one but it is again a question of price..

4.2.3 Performance

The link between the software and the organization is based on the bandwidth quality service. The subscriber has to take into consideration that high-speed connection that is required to take advantage of the service. In this manner, the current network must have been analysed before the implementation itself. (Kim, Kim, Lee, & Lee, 2009)

Moreover, an outstanding growing plan is required to be aware of the future enterprise. For instance, the scalability of the cloud will increase the network activity with some demand peaks and the network must handle it. It is exactly the same on the provider’s side: the customer has to know its vendor’s scalability and capability to be ready for a high demand period.

After all, it can be risky to move a complete database quickly. But, one more time, the performance is directly in relation with the quality of your partner in the cloud (Paul, 2010).

4.2.4 Compliance

The company has to be aware of all the laws concerning data storage in another place than the head quarter’s company. Government regulations are totally different from one country to another (Kim, Kim, Lee, & Lee, 2009). Database delocalisation has to be properly analysed before choosing a partner to get in the cloud.

4.2.5 Standardization

Basically, one of the biggest current problems is the standardization of the process. The partnership between the vendor and the subscriber is primordial. Actually, the portability between the different cloud providers is quite tricky. The manner of using information from the organization is often totally different.

In this context, if the provider goes bankrupt or has a management problem, the customer can get into serious troubles. This is the main principle of a partnership, trust is everything and the openness of the situation is more than desirable. (Kim, Kim, Lee, & Lee, 2009)
4.2.6 Cost

“Cost is generally not regarded as an adoption issue” (Kim, Kim, Lee, & Lee, 2009). One more time, it depends on the financial situation of the organization. However, the cost reducing is above all a marketing slogan. Monitoring, maintenance and marketing tools have a certain price. Obviously, a budget has to be allocated to this specific task, taking into consideration different features on the short and long-term. (Kim, Kim, Lee, & Lee, 2009).

4.2.7 Data control

A considerable amount of managers can be worried about their data in the cloud. As a matter of fact, data are not physically in your buildings, which can be a bit worrying in the beginning. But this problem is closely linked with the security problem. Nevertheless, we can say, “CIOs like to hug their data” (Paul, 2010).

4.2.8 Environment

In the current situation, it will be paradoxical to not care about the environment. Some companies are involved in an environmental-friendly process. In the beginning, the SaaS can be seen as a perfect alternative to go in this direction.

Moreover, almost all datacentres from cloud vendors are often built with the best energy-efficiency standards but not all of them (Kim, Kim, Lee, & Lee, 2009).

4.3 The implementation, a crucial factor for a CRM success

The study institutes Gartner predicted in 2009 that “SaaS use in medium-sized and large businesses will have doubled by 2010. Software as a service is forecasted to have a compound annual growth rate of 17% through 2011 for small-and-midsize-business CRM, Enterprise Resource Planning (ERP) and Supply Chain Management (SCM) software markets.”

The implementation process within a company is relatively complex. The risk to get into a failure is very high if you do not consider all the aspects of the integration. Several companies have experienced a failure such as the candy producer Hershey or the worldwide printer provider Lexmark. Later in this part, we will give a deeper approach of these failures. Also, there will be explained the reasons of a CRM failure, and its consequences on a company. CRM system can be rejected in many ways; the integration process within the company is the most important step. For instance, a CRM service could be successful in collecting customer information and data. However, on the other hand, the sales force may reject the CRM initiative and kill it as the system interferes with sales due to any random reason (Bergeron, 2002).

4.3.1 The CRM Components related to the implementation

This integration differs depending on the company like it has been mentioned before (its size, its technology, its activity, etc.). Therefore, the integration process, its ambiguities and its issues are going to be discussed; which elements have to be taken into account and the different steps an enterprise needs to go through for a successful implementation (Yurong, David, Binshan, & David, 2002) (Meyer, 2005).
In order to clearly understand all the components of this process, in the next step, we will deal with elements the organization has to focus on the most, since the CRM implementation and its components depend heavily on the company’s requirements and specificities. Finally, in a third step, we will highlight the reasons of a CRM failure, its consequences, and how to avoid it in order to get into a successful integration.

Installing a CRM system within a company is not as simple as it looks. In order to obtain a successful CRM, the most important step to take into account is the CRM integration are considered as follows:

Basically, knowing what CRM is about is necessary. It has basically four characteristics: salesforce automation, customer service and support, field service and marketing automation. (Yurong, David, Binshan, & David, 2002):

First, the salesforce automation considerably improves the sales force effectiveness of the sales process. It stores the entire database related to the sales, and what can influence them: last information about sales, customers, deals and competitors. The customer’s sales process is synchronized with the CRM application, including the order placement and customer tracking. The sales force automation provides a clear view of the sales characteristics. For example, they are classified geographically, and gives an outline of the most effective sales in order to launch a relevant marketing campaign. To summarize the sales force automation in one sentence, it strongly empowers the sales force professionals.

The next characteristic is the customer service and support. It helps the company solving its customer issues, in particular with customer complains. Each specific claim is automatically assigned to the appropriate expert. This way, the complain file’s responsible can directly be contacted and follow the problem more easily.

Thirdly, comes the field service. With this option, the communication between the remote staff and the customer service is faster and more fluent. When a problem comes, an engineer is quickly assigned to it in order to solve it. Also, in a service inventory view, the CRM automates the fulfilment and replenishment. It therefore saves costs concerning the service inventory process.

The last characteristic is finally the marketing automation. It provides: a constant update of customer buying habits, their preferences, and their behaviour when facing a certain type of product or service. The CRM is a very useful tool for any marketers.

On the other hand, there are technical components to take into account. A CRM system includes many kinds of technologies that involve managing e-mails, website, messages, calls and all the tools that establish a relation between the company and the customer. It is also the case for the information flow within the company. The CRM provides a comprehensive view of management reporting. This is thanks to the various technologies that it proposes.

They are classified into four overlapping categories (Bergeron, 2002):

- Computer software
The computer software is the function the most variable in terms of costs and capabilities. It proposes many software applications really necessary in a CRM system such as the data warehousing software, which is not actually a single program, but a series of software that are managing other databases in order to check errors out and extract a specific kind of data useful for a specific activity and professional in the firm (Bergeron, 2002). Also, the database management is another option available in the computer software technology. Basically it organizes clearly and simply the data so that it enhances the customer service representative/data stored interface. These are one of many examples that the computer software technology can provide in a CRM system. Some other examples are the customer loyalty programs, channel support, or communication software that are directly processed by computer without errors.

The computer hardware is an option that you cannot avoid as it is in a constant evolution. This means that you must upgrade your computer hardware at least every six months (Bergeron, 2002), but it can vary and it is often longer since the computer technology is sooner or later becoming obsolete. The computer hardware is everything linked to the computer technology and material. The network hardware is basically cables, firewalls, gateway, wireless devices and servers.

The processes and professional services are the external services that manage the resources of the company, especially those related to CRM in order to facilitate the CRM installation, e.g., application service providers such as the system integration services (contact list integrator).

Finally, the telecommunications products and services that are enhancing the communication tools. For instance, telephones, telephony servers, private branch exchange are tools that take part of the “call centre equipment”. Their aim is to enhance the communication process, in particular with the customer. A Private branch exchange makes the company save costs and makes customer interaction more flexible. This tool connects a call from a customer to the most suitable representative. It is cheaper than having a single line for each representative.

The involvement of these different categories depends on the objectives and issues motivating the application of the CRM system. It depends upon the goals the CEO or the department officer wants to achieve. The company may give more consideration to the products and services if its goal is to work on a new CRM effort rather than maintaining an existing one, where in this case the company has to invest in new telecommunication equipment.

4.3.2 Implementation process

Getting into the CRM success needs to follow a five-stage action plan during the implementation process (Bergeron, 2002):

1. **Data gathering**: It consists of gathering data and information. This involves a clear understanding of the company, its employees, their needs, and their difficulties in
their tasks. The CEO should know and understand the technology available within
the company, and what will be involved when implementing the CRM software. However the CEO should not be the only one who is considering the perspective of the future CRM integration. A small committee with representative of each major stakeholder (sales, marketing, customer support, and the CIO’s office) should be organized in order to give a view in the user’s perspective on the CRM effort.

2. Planning: This is the step where the company moves from the theory to practice. The costs estimations, the resources required are set up (for example before the installation of a data mining application a requirement would be a data warehouse). Finally, a timeline defines each step of the implementation process: identifying the project scope, the feasibility determination, and costs estimations are examples of the steps the enterprise has to go through.

3. Action: Here, the committee applies what have been planned during the previous stage. With the vendor, the company negotiates a contract with the help of two or three products that best fit the constraint of the implementation imposed by the committee joined together previously. The product is therefore developed, so the deployment stage can be introduced. Before the deployment stage, the actual users are trained in order to prepare the deployment.

4. Assessment: An evaluation of the CRM system should be done so the staff can measure its impact on the business process. The company also establishes the degree to which the software fulfills your requirement and specifications.

5. Correction: From the assessment phase result, the company establishes what went wrong and what it can improve and modify in its CRM system. The company may have some issues concerning the staff training, the telecom equipment, or a delay in the customer reps.

4.3.3 Risks

Implementing a CRM software in a company can be risky. Knowing each kind of risk can help the company anticipate them while they are insignificant, before they arise and take over the implementation process. There are different reasons that explain a CRM failure. They are classified into two categories: The internal/external risks and the risks within/out of the CEO’s direct control (Bergeron, 2002).

As mentioned before, there is the internal rejection (i.e. the marketing group), customer rejection, and disruption of the service, new technology that make the current implementation out of date before the end of the installation, due in particular to an overrun of time, or a vendor failure for example.

The company must care about different things when implementing CRM software. First, when choosing a CRM vendors, it must keep on monitoring the leader’s moves in order to be aware of the last technologies and what can be improved or changed. Besides, the company must maintain a contact with its customers so it might know their needs and wants constantly over the time.
Also, while knowing the most likely failure points, keeping contact with a second potential vendor that is equipped to take the project in full progression may be helpful in case there is a failure with the first vendor.

Time and cost overrunning are very likely to occur. Customize and implement the CRM software with other systems within the company is the aspect that has to be cared about the most, as it is the most expensive. In fact, during this particular process, small mistakes that must be corrected in a later stage can significantly increase the development expenses and time requirements. That is why by making a proper plan or hiring a consultant who implements a CRM system and can be able to make reliable estimation. Investing more resources into the planning step instead of starting with the implementation too early is less risky.

One of the most significant sources of CRM failure is the internal rejection, where the users rejects the CRM system due to any reason such as the inability to adapt to the new system, or the interference of the system on the sales concerning the sales force. In order to reduce the risks of CRM rejection, the company must consider several factors so that the main stakeholders can easily adapt to it. The system must achieve the following goals: make them save time, make their tasks less complex, the new installed system must not require more effort than the old one and finally increase pay check.

4.4 CRM failures (Hershey case)

The importance of the implementation process can be illustrated through a failure. An example is a significant support (Techtarget.com, 2004).

Hershey, the candy worldwide company has experienced, a memorable CRM experience in 1999. In fact, the company started working on the project 3 years ago, in 1996. Its goal was to improve the delivery system so they can have a better coordination with its retailers, and therefore, keep their costs under control. CRM and supply management system were implemented into 5000 personal computers and a network of servers. Consequently, more than 1200 person in the sales force system would use the integrated software to care the orders more accurately throughout the distribution process. The system was built in order to help Hershey in many fields:

- Better coordinate sales with other departments, so they can handle all the possible issues from the order to the final delivery.
- Measure the promotional campaigns to be able to set right prices.
- Improve the efficiency of the company in some of its important activities such as accounting operations, ingredients research and seeking,

However, the changing process was more complicated than expected. Besides, it was not yet achieved in July 1999. That month is one of the most important periods of the year for a candy provider, as it gets the most important orders for Halloween. For instance, Candy producers realize 40% of their annual sales during this period. They have to be very efficient and effective in terms of delivery, order taking and sale process. To handle this critical situation, Hershey decided to implement the system as fast as possible. The CRM
system was implemented aggressively even though it still needed to be synchronized with the rest of the new infrastructure, which was already going live.

Consequently, they could not handle the issues encountered in the orders, as the system was definitely not ready for such a high demand. The company was 15 days behind in filling the orders, and order turnaround time was twice longer than usual in September. During this period, the sales decreased by $100 million, due to this new system implementation failure.

Furthermore, another example could be Lexmark, a printer’s builder vendor that gave up on a CRM initiative in 2002. It took a charge of about $16 million.

The fact is that most of the companies get CRM because they are pushed so, when looking at the competitors that own this very useful tool. The point is here, this kind of software cannot really be useful without a well understanding from the managers and the end-users. That is unfortunately the case for most of the enterprises. According to Gartner Group (2009), between 50 and 70% of CRM implementations fail on a customer point of view. One of the main reasons is the resistance from the end-users. The project responsible must not forget that a CRM implementation completely changes the company’s management and system. The previous system is consequently pushed to change by the CRM installation.

### 4.5 The principal elements of a successful implementation

This part of the theoretical framework highlights the most important factors a company has to care about when dealing with the implementation of conventional CRM software. Some similarities might be noticed with the section 4.3 of the thesis, but the following part is written in a subjective view, in a success perspective. It will help us get a better understanding of what is really needed for a successful implementation.

Obviously, this list is not exhaustive. There are many other elements that define a successful implementation. These different factors are mentioned in order to get final overall view of what the enterprise deals with when coping with CRM implementation.

#### 4.5.1 Establish the needs and objectives

Identify the problems and establish the needs from them. Give objectives to the entire company, and make sure that the whole staff is aware of it. The CRM implementation has to have a purpose that should be defined and a goal that should be achieved. The entire company has to be aware of it so that everyone has a shared sense of working, and knows in which direction the company is going. (Bergeron, 2002)

#### 4.5.2 Advise customers and employees

Let your customer and your staff, especially the end users, know about the considerable change that will occur within the company. Make sure that the employees will agree with it. Prepare them for this change and train them from the beginning of the implementation, so that they are more likely to adapt themselves to the new system. (Bergeron, 2002)
4.5.3 Choose the appropriate vendor

Choosing the wrong vendor is likely to lead to a CRM failure. Choose the right vendor and expose the enterprise’s objectives and goals with an analysis of what the vendor can provide, and whether he can fulfil the company’s requirements is required. It is a very important partner in which the company can trust totally. (Bergeron, 2002)

4.5.4 Choose a scalable product

The company has to choose a scalable product that enhances the marketing campaigns monitoring, and provides CRM architecture that can fit the current sales channels as well as the future ones. The long-term perspective cannot be forgotten during such important investment. (Bergeron, 2002)

4.5.5 Analyse the customer data establish a data warehouse

Create a data warehouse with a standardized format in order to reduce extraction complications. Analyse it and classify it depending on whether it’s new or old. (Bergeron, 2002). Additionally, data warehouse could be seen as a metaphor to describe the database. As computerized data, they are stored on computers but they must be standardized, well-sorted and easy to extract.

4.6 Small and Medium-sized Enterprises (SMEs)

First of all, a precise description of the SMEs has been realised. A SME is different in the US and in Central Europe. It was decided to focus only on the number of employees since they are the main users and because the implementation process is analysed mainly through the practical way rather than the financial way.

In the EU, a small and medium-sized enterprise is less than 250 employees (European commission, 2011). Oppositely, in the USA, the maximum to be categorized as a SME is 500 employees (Office of Entrepreneurial Development, 2011). Since the three companies that have been interviewed are from U.S., the definition that should be taken into account is the one from the American law, i.e. less than 500 employees.

Small and Medium-sized Enterprises (SMEs) are considered as major economic players and a potent source of national, regional and local economic growth (Taylor & Murphy, 2004). The adoption of information systems (IS) innovations in SMEs cannot be a miniaturized version of larger organisations even if the management style is different.

Furthermore, SME sector was the most interesting to analyse because we noticed, based on former experiences, that a significant number of company, especially family business, are not customer focus.

It would be interesting to mention the case when a company does not use CRM software (no matter if it is conventional or in the cloud). This will clear up the importance and the matter of using CRM software in a company.

Referring to a real experience would be obviously clearer. That is why we are going to take Ismail Sekkat’s experience in a company, which was not using any CRM tool. This was
more precisely an internship within a mould manufacturer, during the period June-July 2010. Here is his experience regarding his own point of view:

During my internship period, I could notice many issues that the company faced, which would obviously not occur with CRM help.

In fact, problems regarding communication with the customer occurred: after having ordered a mould, the customer required some changes regarding its order. The problem was that the mould was already manufactured, which made the required modifications impossible to make. Otherwise, it would be necessary to manufacture a new product, which would be very costly for the company. The company proposed its customer some modifications to its product, but similar to the ordered one. The customer would have to pay additional costs. Afterward, the customer was very sceptical and even thought about cancelling its order.

Actually, most of the customers do not realize the complexity of making moulds. This communication could be clearly avoided with CRM help: the preferences of the customer could be registered, and its overall wants regarding the changes as well. Also, some other customers were dissatisfied by some of their product. Their satisfaction is checked in an unproductive way compared to the CRM solution. It was checked thanks to a paper survey about the customer satisfaction (quite conventional method). This makes the company not only spend an additional time on this procedure, but also the customer’s time. Sure, a CRM could help a lot regarding these issues (communication, costs and time as mentioned in this example) but a well understanding of the tool and its use is first necessary.

N.B: The company’s name was not mentioned in order to protect their image and privacy.

4.7 CRM in the cloud

According to Gartner, information technology research and advisory firm: “according to the most recent Datamonitor research report released in 2009 and titled Selecting an On-Demand CRM Vendor, the 2008 on-demand CRM market is estimated at $1.7 billion in just subscription revenue and forecasted to achieve an impressive double digit compound annual growth rate of 17.4% from 2007 through 2013.” (CRM Landmark, 2010).

Following these facts, it seemed normal to define more precisely a specialist vendor. Salesforce.com was chosen because of its predominant position on the market (one of the three biggest provider with SAP and Oracle). Here is the presentation of the company.

4.7.1 Salesforce.com

Salesforce was founded in 1999 in California, USA. Marc Benioff and Parker Harris created Salesforce as a company specialised in Software as a Service (SaaS). The company went public to the New York Stock Exchange in 2004.

Currently, Salesforce has more than 92.300 customers worldwide and launched many hosted services such as Force.com (PaaS). The present headquarter is located in San Francisco, USA. The company has regional headquarters all around the world on the five continents (Salesforce.com, 2011).
Salesforce makes itself unique and attractive. In fact, it has totally changed the CRM concept by providing an original solution: the CRM Web Service, taking advantage of the SaaS opportunities. Outsourcing CRM on Internet (Salesforce principle) has many advantages here: customization, implementation and easily outweighs the involvement of the user. Then, speed of solution’s deployment: two and half weeks on average. The outsourcing bases in Salesforce.com offers a guarantee of data integrity and confidentiality, since the user has no more access than the administrator has granted for him. Moreover, data from the CRM are not stored in the company. In addition, the update of the application is unique, simultaneous, and for all users.

Finally, in terms of cost, different offers are available. Most of them are pre-built but it is also possible to have a tailored one.

![Figure 6 - Salesforce CRM SME range of price](Saleforce, 2011)

Some features in Salesforce.com could be underlined. For instance, the company will no longer waste your time tracking down a customer contact or address, or trying to find a schedule that fits with customer’s timetable for any appointment. Salesforce enables you to plan, manage, and capture all the important inter-actions that normally have with prospects and customers. In the cloud, all these tasks could be synchronized online. This is the definition itself of a hosted CRM solution.

With this service accessible from Internet, you can gather all important customer data, in a very well organized way. The company can, for example, check out their new needs, and their satisfaction with your last product or service.

In fact, knowing each single customer is essential in order to develop a lasting relationship with him and offer him a suitable offer. The history of his purchase, his preferred means of communication, his preferred method of payments, preferences and interests in terms of services, etc. All important information to develop long-term relationships is available in real time.

In addition, with the «Custom Relationship Management» software, the company obviously consolidates its pipeline. According to «Salesforce for dummies» 2nd edition by Tom wong
and Liz Kao, “Managers waste time chasing scrubbing data. Bosses waste time tearing their hair out because the information is old by the time they get it. With Salesforce, you can shorten or eliminate all that. As long as reps manage all their opportunities in Salesforce, managers can generate updated pipeline reports with the click of a button.”

Additionally, this software permits to improve the selling process as it improves the link between co-workers. In other words, this software helps defining teams and processes for sales, marketing and customer service. Therefore, every department is aware of what is happening (a selling process from the sales department). Everyone knows now that its own co-worker is in a way of selling. For example, the reps can then interact immediately through the software (on Internet) if needed.

This brief overview of Salesforce is relatively simple but it was needed to have a clear understanding of the hosted software. On the screen below, you can have an idea about the main dashboard when you are connected.

![Figure 7 - Salesforce Homepage (Trial version) (Salesforce, 2011)](image)
4.8 TOE Framework

The following business model was used to build our interviews. It is called Technology-Organisation-Environment (TOE) framework and was created by Tornatzky and Fleischer in 1990. This model published in the book “The process of Technological Innovation” has been validated by many studies (e.g. Kuan & Chau (2001), Premkumar G and Roberts (1999)). This model has been claimed to be a generic theory of technology/diffusion (Zhu, Kraemer, & Xu, 2003).

![Figure 8 - TOE Framework (Boumediene, Kawalek, & Oswaldo, 2009)](image)

The model is divided in three main contexts: technological, organisational and environmental. The explanation of the model is based on the article published by Boumediene R., Kawalek P. and Oswaldo L. in 2009.

4.8.1.1 Technological context

- **(H1) Relative advantage:** is defined as “the degree to which an innovation is perceived as being better than the idea it supersedes” (Rogers, 2003). The relative advantage can be expressed as economic or social. The economic factor tends to be the more important on a long-term basis. The social factor is taken into account on a shorter term. The economic relative advantage can be translated by profitability. Oppositely, on the social aspect, the relative advantage is to gain social status through innovation (imitating behaviour of others) (Rogers, 2003). Furthermore, when an IS innovation is perceived to offer relative advantages over the firm’s current practise, it is a adoption reason. ES can provide many benefits such as accommodating business growth, improving business processes, reducing business operating and administrative cost (Markus & Tanis, 2000).

“The greater the perceived relative advantage of ES, the more likely they will be adopted by SMEs.”
(H2) Compatibility: is defined as “the degree which an innovation is perceived as consistent with the existing values, past experiences and needs of potential adopters” (Rogers, 2003). The compatibility is a significant aspect concerning the IS innovation adoption. The work practise of businesses and the natural resistance to change is a normal organisation reaction. The adoption process should be compatible with the current company’s situation (values, beliefs, infrastructure). The success of the adoption is highly related to the existing infrastructure. The innovation should be in harmony, in agreement with the previous beliefs of the company. Finally, potential adopter may not recognize that they have a need for an innovation until they have aware of the new idea or of its consequences (Rogers, 2003).

“The greater the perceived compatibility of ES with current infrastructure, values and beliefs, the more likely they will be adopted by SMEs.”

(H3) Complexity: is defined as “the degree to which an innovation is perceived relatively difficult to understand and use” (Rogers, 2003). The complexity is directed linked to the risks. New technologies can create greater opportunities but create also uncertainty for successful implementation and therefore, the risk in the adoption decision (Premkumar & Roberts, 1999).

“The lower the perceived complexity of ES, the more likely they will be adopted by SMEs.”

(H4) Trialability: is defined as “the degree to which an innovation may be experimented with on a limited basis” (Rogers, 2003). An idea that can be tried before with limited resources is a real competitive advantage to decide if you will adopt it or not. Actually, trialability is expected to be extraordinarily relevant.

“SME with a greater ability to experiment with ES before adoption are more likely to adopt them.”

(H5) Observability: is defined as “the degree to which the results of an innovation are visible to others.” This aspect is based on the comparison with others firms, competitors or not, that are showing a positive evolution using the new ES.

“The greater the observability of ES in the industry in which an SME operates, the more likely they will be adopted.”

4.8.1.2 Organisational context

(H6) Top management support: is an important actor in the decisional process in small business. The top management is very often the initiator of almost all the innovation changes. Moreover, top management can stimulate the entire business to adopt a new ES. In the context of small business, the decision-maker is very likely to be in the top management team and his support is vital for the adoption take place (Boumediene, Kawalek, & Oswaldo, 2009).
“The greater the top management support for ES, the more likely they will be adopted by SMEs.”

- **(H7) Organisational readiness:** is defined as “the availability of the needed organisational resources for adoption” (Iacovou, Benbasat, & Dexter, 1995). This aspect is directly linked to the IS sophistication and financial resources available in the company. If financial and organizational resources are available, that is a relevant factor that should be taken into account.

“**The greater the financial and technological recourses, the more likely ES will be adopted by SMEs.”**

- **(H8) IS Experience:** “firms that do not have much IS experience may be unaware of new technologies or may not want to take a risk to adopt them.” Moreover, if the firm has already adopt a new IS in a near past, it influences a lot the adoption for a new ES.

“**The greater the IS expertise available in the organisation, the more likely ES will be adopted by SMEs.”**

- **(H9) Size:** is defined as one of the most important factor concerning the adoption process. The typical argument is that larger firm have greater need, resources, skills and experience and the ability to survive failures than smaller firms (Levenburg, Magal, & Kosalge, 2006). Actually, the size is also a factor that has to be taken into account. The size of the SME can be a significant aspect: a difference between small and mid-sized could be notice.

“**The larger the size of the business, the more likely ES will be adopted by SMEs.”**

4.8.1.3 **Environmental context**

- **(H10) Industry sector:** the adoption of IS innovations is influenced by the industry in which the company is part of. Each type of industry relies on a specific type of activity. For instance, the service industries can be related to the processing of information, or the retail industries to the transfer of goods. The usage of IS innovations depends upon the business sector.

“**The industry sector influences the adoption of ES by SMEs.”**

- **(H11) Market scope:** which is defined as “the horizontal extent of a firm’s operations” (Zhu, Kraemer, & Xu, 2003). Two perspectives compose it. Firstly, the increase of internal coordination costs, which is due to the firm’s wanting to expand their market. The main reasons are the increase of administrative complexity and information processing (Gurbaxani & Whang, 1991). Digitizing the business is a solution to reduce these costs (Shapiro & Varian, 1999). Secondly, the external costs increase when the firms expend their business, and therefore their market reach. This includes the search costs, which represent the consumer research as well as trading partners and distributors. SMEs owning an ES are more likely to reduce
external costs. Obviously, there is a higher probability that firms serving abroad areas adopt ES.

“The greater is the market scope, the higher is the probability that the firms adopt the ES.”

- **(H12) The competitive pressure**: it has been seen as the greater factor influencing the adoption of ES (Jeyaraj, Rottman, & Lacity, 2006). The adoption of IS innovation is influenced by the competition in adopter’s industry, as well as the degree of competitive pressure. It can actually be a strategic solution to get new technologies in order to be able to face the actual competition (Premkumar & Ramarmurthy, 1995).

“The greater the competitive pressure, the more likely ES will be adopted by SMEs.”

- **(H13) The external IS support**: basically, the more is the external IS support available for the ES, the more likely is the company willing to adopt it. The IS innovation adoption is in fact related to it (Premkumar & Roberts, 1999), and it represent an important factor for IS success (Delone, 1988).

“The greater the external IS support for ES, the more likely they will be adopted by SMEs.”

The model is theoretical and the way it was used to build our interview guide is describe in the section 5.2.2.

### 4.9 Kepner-Troege Matrix

Furthermore, another model introduced by Kepner-Troege can be used in our analysis. This kind of model is useful because it is possible to have a rational point of view of the situation.

Following, an example how the chart should be completed:

<table>
<thead>
<tr>
<th>Selection criteria</th>
<th>Salesforce</th>
<th>Traditional administrative support</th>
<th>Software installation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast to get</td>
<td>+</td>
<td>0</td>
<td>+</td>
</tr>
<tr>
<td>Information sharing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data base support</td>
<td>+</td>
<td>-</td>
<td>0</td>
</tr>
</tbody>
</table>

*Figure 9 - Kepner-Troege Matrix example (Own work, 2011)*

The reference is 0. Better than the average is + and less is -. This gradation could be also translated on a scale from 1 till 3 where 1 (-) is not advantageous regarding the criteria, 2 (0) is neutral and 3 (+) brings an additional value. The chart is called “concept screening.”
Actually, this table is a decision-making method developed by Charles H. Kepner and Benjamin B. Tregoe during the 1960s. It aims to gather information, which will be prioritized and evaluated. With this method, the objective is not to find the perfect solution but the option that is the most likely to be suitable.

In this thesis, the Kepner-Tregoe matrix is used in order to compare three types of solution regarding the CRM software: the in-house solution, the cloud solution, and finally the traditional administrative paper support.

A company chooses to integrate a CRM solution within its system depending on some criteria and elements that will be modified or enhanced. Undoubtedly, different companies have different goals when implementing a CRM solution. That is why the main common set of criteria have been taken, in order to evaluate in a general view what kind of CRM is the most likely to be suitable when an enterprise comes up with the idea of getting an additional help for its customer management. The person who would like to analyse the matrix decides this set up of criteria subjectively.

The matrix above below summarizes a four steps decisional process (Decide-guide.com, 2009) the company goes through in order to come up with the right choice. It permits to write down somebody’s mind in an analytical way.

The four steps are:

- **Situation appraisal**, where the company clarifying the current situation, and sets up goals and objectives.

- In the **problem analysis**, the problem is defined, and the causes that push the company to take such a decision

- The **decision analysis**, all the possibilities are analysed. Grades or a risk analysis is attributed to each.

- **Potential problem analysis**: The best solution is finally evaluated depending on the potential issues it might encounter. The negatives consequences are anticipated so corrective actions can be taken.
5 Methodology

We decided to organize our research process by gathering first secondary data in order to have a clear overview of the existing literature. Secondly, the primary data were collected through a new survey. In fact, to be aware of the current situation, it was the best alternative. With this new knowledge, the survey could be more concentrated on the unexplored field.

5.1 Secondary data

Considering the theoretical framework and the concepts, different databases and methods have been used to collect all the relevant data.

First of all, nowadays, we only found one practical roadmap giving advices of how to implement with success a hosted CRM solution: it is the one from Salesforce. We are assuming that this type of guide should have been realised by Salesforce competitors but they did not answer our requests when we contacted them.

Besides, the Cloud Computing in a company environment has been widely discussed, such as the CRM implementation in SMEs. It was decided to conduct a research about the fusion of these two. It can be said that this subject has not been debated yet because the roadmap we gathered from Salesforce has been realised by a provider. Therefore, we can consider that it is too subjective and not enough objective. This thesis is initially written to confirm or nuance some aspects of a successful implementation through interviews.

Finally, we conducted our researches to have a relevant theoretical framework by consulting many databases and documents. The following non-exhaustive list recapitulates how we gathered our secondary data.

- Databases: Google Scholar, EBSCO (Academic Search Elite), JSTOR, Oxford Journals, Science Direct, ISI (Web of Science).
- Libraries: Halmstad University Library, Halmstad City Library

This part of the work was the more time consuming and the longest one. It was a needed harm and gave us a really good insight of the situation in the different topic separately.

5.2 Primary data

Empirical data were analysed through a new survey and was conducted to get up-to-date results. We decided to deliver a survey with a hosted CRM provider because it was the best solution to gather some proper secondary data. It was very hard to contact them. They did not answer to our emails and always redirected us to their community website. Finally, we contacted Salesforce on the chat available on the official website and Billy K. answered us.
He sent us a practical guide they built last year. This guide was realised in order to document new customers regarding the implementation process. They also provided us a list of SMEs using their CRM solution; we were free to contact them.

Then, we e-mailed many hosted-CRM providers and asked them to have information about their implementation tips or put us in touch with clients who can be interviewed. The answering rate was nearly 0. Even the Dynamics CRM responsible from Microsoft Benelux responded us that he was not able to deliver us a list of current clients who can be interviewed.

Finally, after analysing these papers provided by Salesforce, we decided to compare this guide with our interviews and analyse their similarities and differences. The main reasons we decided to write about this comparison was that the practical guide was written by the provider itself and could not be impartial.

Additionally, we have read many articles and books about the three different concepts. Using the Kepner-Troge matrix was for us the opportunity to compare what we have learned through all our readings and the opinion of real users of Salesforce. It was also an opportunity to verify if our concepts’ definition was sufficient and if we have a good understanding of the different concepts. Therefore, we sent one Kepner-Tregoe Matrix copy to Idealist.org to have a comparison.

As a conclusion, this research lies on the field of SMEs. This interpretative approach focuses on interpreting facts while using qualitative analysis and taking into account the inherent context of the topic research (Bryman & Bell, 2007).

5.2.1 Research method

There are two different methods to conduct a survey: quantitative and qualitative. The qualitative research suits better to study a social phenomenon (Reiss, 1968). The present research questions is defined by a “how” question. Qualitative research tends to concern with words rather than number (“how” rather than “who” or “what”). In this case, there is a closer connection to deduction rather than an inductive attempt. Empirical data and theoretical studies are combined in order to draw a pattern that will give a comprehension of the studied situation (Peirce, 1932). This method will give the opportunity to interpret the empirics and theoretical references.

So it was decided to choose the case study design for three reasons. The first one is because the qualitative research methods give the possibility to have a more descriptive approach than a quantitative research method (Bryman & Bell, 2007). Secondly, the primary data will be gathered through interviews and documents (Yin, 1989). Thirdly, case study allows a focus on contemporary events (ibid).

Furthermore, a case study research is considered as “rich understanding of complex phenomena” (Eisenhardt & Graebner, 2007). We decided to choose the multiple case studies. It will allow having depth study of each case and analyzing the similarities and differences between them (Bryman & Bell, 2007).
One of the business research methods written by Alan Bryman and Emma Bell was the best way to define our research method. The qualitative research can be defined in 6 steps as follow (Bryman & Bell, 2007):

Like mentioned before, a qualitative research is realised through an interview. The two main types of research are unstructured and semi-structured interview. The qualitative research tends to be much less structured than a quantitative research. Researcher’s point of view is more present in this kind of research and the interview is more flexible. It allowed the investigator to focus on certain part.

Concerning our interview, it was chosen that the semi-structured type was the more appropriate. Oppositely with the unstructured research that using only an aide-mémoire or even nothing, the semi-structured interview follows a list of topics or at least a precise model. This model can be seen as a guide during the interview. On one hand, more specific issues can be addressed and on the other hand, the discussion is not limited to really precise question. It offers the possibility to extend further.

It was decided to “modify” a bit the Bryman & Bell model to fit more the methods that have been used. An additional step between “Selecting relevant site(s)” and subjects” and “Collection of relevant data” allowed us to realise an interview guide and to include it in your interviewing process.
This guide will be also helpful to further analysis thanks to a better understanding of the pattern. Moreover, we can combine the advantages of a structured and unstructured research. The main elements to prepare the interview guide are:

- Try to have a certain order on the topic areas even if it will be very likely to be altered
- Try to have specific question to answer to your research question but not too specific. It is a balance issue.
- Try to use appropriate, comprehensive and relevant language
- Do not ask leading questions
- Do ask ”face sheet” information of a general kind (name, age, gender, etc.).

To conclude about the method chosen to realise this research, it is obvious that some drawbacks can be highlighted. According to Bryman and Bell, the qualitative research can be criticized and some key points should have been taken into account. First, the research can be too subjective. As an example, we will focus on specific points we are interested in and can miss some other important points or aspects we didn’t consider. Secondly, it could be difficult to replicate. The research cannot be exactly re-conducted in the same way. We were the main player, the main instrument of data collection. We decided precisely which part of the research we would like to use and concentrate on. Thirdly, generalization can be tough. A qualitative research will always be restricted to a specific matter or area. This way, generalization cannot be widen or without difficulty. Finally, the lack of transparency can be an impediment. It is difficult to establish from qualitative research what the investigators actually did and how he arrived to his conclusion.
Taking into account all this information, choose a special model to realise the research guide was the most suitable way to answer to our research question. This model is the TOE framework previously explained in the theoretical framework.

5.2.2 Interviewing guide

The TOE framework was previously realised to predict which small to medium-sized enterprises are more likely to become adopter of enterprise system. This model will be a bit adapted to the research question but the main outline will stay common. Our questions were classified depending on the category they belong to as explained in the theoretical framework. This guide is the first part of our interview. It can be found in appendix 1. The second part of the interview was conducted through emails in order to be sure that there were no misunderstandings with the questionnaire and their answers.

5.3 Conducting the analysis

Three interviews were conducted. We decided to do it in two phases. First, we sent the written interviews by emails and we received three positive answers. After a first analysis, we sent a few extra emails to clarify some questions and to be sure that the respondent properly understood our questionnaire.

Thanks to the three interviews conducted, a cross-case analysis was an interesting option. According to Miles and Huberman (1984), the generalization will increase if the researcher uses this type of analyze method. Therefore we analyzed the data across all of the cases, to identify similarities and differences. We use the cross-case analysis in order to find relationships studied on the basis of the theoretical framework and the practical guide provided by Salesforce. Miles and Huberman established that a cross-case analysis offers the possibility to deepen the understanding and explanation (Miles & Huberman, 1984).
6 Empirical data

This section regroups the empirical data collected from the three interviews conducted, and the analysis of companies’ website to describe them. The section starts with an historical review of each SME. Further, answers from each company are narrated. The interviews were implemented with the purpose of gaining a clearer notion of how SME implement a Salesforce’s hosted CRM software.

6.1 MÁS Wine Company

MÁS Wine Company is a small enterprise from USA, California that makes winning draft in a stand-alone mini tank. Three wine industry veterans, one beer guy and a refugee from the tech world created the company in 2006. Their love of tasty wine, innovation and environmentalism gave them the idea of putting high quality wine into re-usable mini-tanks. The packaging is 100% re-usable and keeps the wine as fresh as the first glass for 60 days. One tank is equivalent of 15 to 20 bottles.

MÁS Wine Company is present on the B2C and B2B market. On the B2C market, tanks are sold by distributors (21) and subcontractors. On the B2B market, they set some partnerships with wineries. They are distributing their tanks to restaurants. The value of the firm could is “more quality, more value and being more environmental friendly.” According to Andy Woehl, the company’s president. “Since the beginning, we have not used over 70,000 glass bottles.” (MÁS Wine Company, 2010)

Kate Tweddale, Vice President of Marketing from MÁS Wine Company, filled the questionnaire. She is one of the co-founders. She decided to use her knowledge from her previous experiences in the customer relationship management to establish Salesforce as the main CRM solution. She could be seen as a specialist and she took almost the all implementation process in charge.

On a financial point of view, Kate knew the price because she was familiarized with this kind of environment thanks to her previous job. For the wine company, the price was not a crucial decisional barrier: the appropriate version was only $65 per month. MÁS Wine Company considered this amount of money as affordable. Concerning the budget plan for the project, Kate had analysed it and she confirmed that the lowest price was a great extra motivation. To summarize, financially speaking, the organization was ready to move into the cloud for their CRM software.

Furthermore, the Vice President of Marketing also mentioned that the two features she focused on were the profitability on a long-term basis and the user-friendly interface. MÁS Wine Company has many sales representatives on the field and many employees who work from the home office. Consequently, Kate highlights an important point: the software is adapted to the company’s needs.
According to the interview, the migration process was not a barrier. As a matter of fact, almost no data was present at the company’s establishment. This way, it was easier to launch an “almost new” software without the old data integration. The most difficult part was to get all employees involved in the process. Every new contact should be added on the database and not all of employees used to do it. This stage was an essential step to have a successful CRM. One more time, Kate was the one who motivated all the employees.

Concerning the hardware infrastructure, it was easier to invest directly in the hardware required which was basic. The Internet broadband was regular considering the low amount of in-house workers. One more time, setting up a new business was a competitive advantage.

Moreover, Kate, the Vice President of Marketing, was the most skilled person regarding the CRM use. She told several times that it was difficult to make people change. Even if she was seen as a key person for the software, it was complicated for her to motivate the entire staff. She organized team meetings to train and show how it can be beneficial for the company to use Salesforce for the whole business process. It is important to highlight that the whole staff was “obliged” to switch to this new CRM solution. Even if some people thought that using spreadsheets a more simple solution than learning something new, Kate was fully convinced of the opportunities that Salesforce could provide. For her, the user-friendly interface was a real advantage. She is the initiator of the cloud migration and she is part of the top management. From her previous experience, she underlined that many SMEs use spreadsheets, which is very inefficient and not synchronised or consultable.

For Kate, the size of the company is a key factor: less people to train and convince. The MÁS Wine Company did not compare their solution with bigger companies. They decided by themselves to change and implement this hosted solution.

Kate mentioned that Salesforce convinced her because of the potential opportunities. She chose the On-demand CRM in a market expansion perspective because as a start-up, growing fast is required to survive. The first objective was to be more efficient and, consequently, be more profitable. Actually, Kate said during the interview that choosing Salesforce was a very productive decision.

Finally, according to the Vice President of Marketing, the implementation was a great success and from then on, MÁS Wine Company has a better management for the same amount of data. Nevertheless, Kate Tweddle insisted on some key facts and gave some advice. For instance, she insisted that everyone in the company should be forced to move to the new system. Even if they are reluctant in the beginning, pushing them to move is the best way to reduce the implementation period. Secondly, the best recommendation she could give to succeed with this implementation was to have an exclusive responsible. In a SME, a single person should have the authority from the top to the bottom and should be able to “force” everyone use the hosted CRM. “You need an internal champion to make it work” could be the best quote to summarize the MÁS Wine Company Vice President of Marketing’s point of view.
6.2 Scholarbuys

Scholarbuys is a small company founded 2007 in USA, Illinois that is specialised in discounts for academic communities. Thanks to economies of scale, they are able to provide less expensive software, peripherals and small hardware for education institutions, students and educators. They focus especially on the academic market that can be considered as a niche market. They have a significant bargaining power with suppliers thanks to a group purchasing process.

The enterprise can be defined as a modern organization because of the casual atmosphere in the office. Every employee is encouraged to add personality to his or her work area. The company is present on the different social media such as Twitter, Facebook, etc. For them, the relationship with the customers is essential and they try to be as close as possible to their consumers.

Scholarbuys’ corporate strategy is defined as “Run a very lean operation, incorporate innovative strategies, and focus on building long term relationships.”. Naomi Cadwallader filled the questionnaire in. She is the Marketing and Product Manager in Scholarbuys.

They decided to implement a totally new cloud solution for their CRM. Before using Salesforce, the company had a spreadsheets system with a combination of different Microsoft Office products (Excel, Access). The contact management was the biggest problem because nothing was standardized.

On a financial point of view, Naomi told that no financial plan has been made. They knew that implementing Salesforce would implicate some additional costs but it was worth it for the company. They did not think and plan the extra time required to add all the contacts to Salesforce. Scholarbuys was aware that the company needed some profound changes. A Hosted CRM software was an easy and fast way to make some organizational improvements. Naomi said that the profitability was also an important motivation but more on a long-term basis. In the beginning, a 3 to 4 persons teams were using the software and the company’s growth allowed them to have more contacts and users. A small company has almost always limited financial resources and after a while, the company got used to expecting more costs from using Salesforce. Every new user added an extra cost but it was expected and the company could afford this investment.

Scholarbuys implemented Salesforce one year after the foundation. This way, the data migration was not that hard. The most time consuming part was adding new contacts. Naomi underlined that Salesforce provided many plugins to help the user to upload “MANY new contacts in a matter of minutes”. After the migration, it was possible to use right away all the uploaded resources. Besides, Scholarbuys did not change its hardware infrastructure.
Furthermore, during the interview, Naomi said several times that Scholarbuys was very willing to adapt to new technologies. The whole staff found the learning and training processes easy. The company utilized the free trial period available but it was not extended beyond that. A couple of people - only in a testing goal - used the trial period. Some Scholarbuys’ competitors used this hosted CRM solution but the company did not hear about any feedbacks.

Bob Smith, the Vice President of Sales came up with the idea of Salesforce after one year running the company. His main objective was to unify and put together all the databases. Many databases were used before and they were not available everywhere at every time. Bob understood that, and decided to migrate to Salesforce to solve this problem.

Before the implementation, the whole team was introduced to Salesforce at the simultaneously. It was easier to use the same place to store contacts, emails, opportunities, etc. Like previously mentioned, the entire team was motivated to adapt their way of working to fit with the new hosted CRM software. Almost nobody was reluctant to this change. Besides, Salesforce was also an appropriate tool to organize and keep the entire team organized. As the sales team was small, it was easy to manage the implementation. It was also simple to add one or two users at a time as their sales team grows. The Salesforce team at Scholarbuys counts currently ten members.

It is also interesting that Scholarbuys thinks that Salesforce can fit many different areas, and various business sectors. Moreover, Naomi told that one of the main goals of using Salesforce was to have a better organization. They would like to be sure that they would use all the available resources in the best way. All the opportunities in the same place allowed the team to stay on track and on schedule. At the beginning, reducing cost perspective was not in the company’s goals but on a long-term basis, it is possible that Salesforce helps to reduce cost through a better internal organization.

Forecasting the market is important for Scholarbuys. Salesforce gave them the opportunity to take advantage of all the statistics available from previous deals. With the hosted CRM solution, they are more successful in predicting the upcoming situation and even more: “we are contacting customers about purchases they may not be thinking about yet and may not have asked our competitors for pricing on yet. By making sure we are the first to ask, we are able to keep the business.”

Scholarbuys underlined that training employees was hard and time consuming because they did not have the time to watch or use tutorial information. It was a “learn as we go” process. Naomi acknowledged that they do not use every possibility that Salesforce provides by lack of time. They tried to implement what they found helpful but they do not use all of the features available because they do not necessarily know how to use them.

Finally, Naomi said that a more direct training should have been helpful to take advantage of all the available features in the software. However, they did not consult any guide or written help. It was almost only “learn as we go” process. The best advice that the Marketing and Project manager was to know the company needs first before implementing. “Since each CRM solution is different, understand first what kind of customer management system your company needs, before implementing a solution.”
6.3 Idealist.org

Idealist.org is a small company created in 1985 in Chile by Ami Dar who had the idea of creating a network that helps people and organizations communicating and exchanging. These people and organizations especially care about how utilizing the resources in earth. In 1995, it launched Contact.org, an HTML website that contained 2500 links to websites of non-profit organizations in 100 countries and all 50 US States. In 2001, Idealist.org partnered with the University of Chicago to offer the first “Idealist.org Non-profit Career Fairs”. As the first fair was successful, the company decided to expand its market and expanded its fairs to several cities in U.S.A. In that year, more than 40 organizations joined the website. In 2009, it had more than one million registered users. “Idealist.org connects people, organizations, and resources to help build a world where all people can live free and dignified lives.”

![Idealist.org Logo](image)

This case is quite special since the company got the Salesforce license for free in 2006. It was a kind of sponsorship to support the Idealist.org’s community. The on-demand CRM software had the goal to “make it easier to support all of the people and organizations they work with”.

No particular tool was used before the CRM application. Before using the CRM in the cloud, the company only had some classical tools to operate, which was for instance a shared drive to house relevant docs. The first CRM experience for the company was with Salesforce. As Idealist.org was a trial client for Salesforce, it did not pay any fee for the Salesforce license, all over their time using of the CRM. The storage is the only thing for what the company has to pay. This means the storage used for the customer database etc.

Moreover, when adopting the CRM in the cloud, the main objective was in an information flow perspective. The company absolutely wanted a more efficient communication for the website users and a fluent information flow among the different offices. The aim was to provide quick and reliable information for the employees as well as the website users. To obtain this, the company had to make some minor changes: actually, it did not really change the hardware infrastructure, but it moved from Microsoft to Mac. According to them, this transition was an advantage for the company.

Nevertheless, there was an impediment that slowed down the adoption process: the software complexity. The company clearly perceived the complexity of the software as an implementation risk. The adoption facility clearly depended upon the user training and understanding. Some users actually found some difficulties to use this new software, which led to a slow adoption. It is the administrative team under the direction of the executive director that came up with the idea of adoption. This element is advantageous since it is the executive director who stimulates the business.

Since the implementation within the company was a test from Salesforce, the process was not only a new experience for the company but for Salesforce as well. The main impediment regarding the adoption came up from the users. There was a sort of conflict...
between users who understood the new software and users who did not. This situation of opposition especially occurred when both different users had to work together in the same team.

Idealist.org operates in a unique market niche; this means a low competition within the market. However, they got a unique organizational power that makes them on the top of the game, and stop the potential services that would put themselves on this organization’s way of success. Besides, Idealist.org got a consultant who assisted the company with customization processes.

As a conclusion, the advices and improvements that the company would advise are in an internal management and end-user perspective. According to their sayings, the top management has to believe in the new adoption. This means that there should be an upper authority that manages the implementation process and the people who are willing to use the new system.
6.3.1 Kepner-Troge Matrix

Idealist.org has completed the following Kepner-Tregoe Matrix. This non-profit organization is the only one that filled it in. This answer will be useful since it gives a notion of what a company might need and how it might perceive the different types of CRM management. According to the results, the CRM in the cloud is the most likely to fill their needs. Secondly comes the traditional administrative support, and the conventional CRM is in a third place.

<table>
<thead>
<tr>
<th>Selection criteria</th>
<th>Salesforce</th>
<th>Traditional administrative support</th>
<th>Software installation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fast to get</strong></td>
<td>+</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td><strong>Information sharing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data base support</td>
<td>+</td>
<td>0</td>
<td>+</td>
</tr>
<tr>
<td>Partner</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Relationship Management</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Team work inspiration</strong></td>
<td>0</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td>Supervision of employees</td>
<td>+</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Less flexible</td>
<td>+</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Risk of losing Wi-Fi</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Saving cost</strong></td>
<td>+</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Save money in finding useful information</td>
<td>+</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td><strong>Security</strong></td>
<td>+</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td><strong>PLUSES</strong></td>
<td>6</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>SAMES</strong></td>
<td>2</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>MINUSES</strong></td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>NET</strong></td>
<td>5</td>
<td>2</td>
<td>-2</td>
</tr>
<tr>
<td><strong>RANK</strong></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

Figure 12 - Idealist.org Kepner-Troge Matrix (Idealist.org, 2011)

Apparently, the traditional administrative support is more suitable to Idealist.org than the conventional CRM. This is to say that the Cloud seems to bring an additional value that the conventional CRM is not able to bring. The security and the flexibility are elements that are advantageous when using the hosted CRM, according the enterprise’s opinion and needs. This table gives a good temporary view of the current situation. It makes the interview more comprehensive and shows in which field the CRM in the cloud could be improved.

Of course, another company might obtain different results because it does not work in a similar way and its needs might be totally different. Therefore, it might use a different set of criteria to get the right solution among the three ways of customer managing. Consequently, this table must not be considered as an example applicable for all the existing companies. It only gives a notion of how the CRM in the cloud might be preferred to another one depending on the company’s needs and objectives.
7 Analysis

This section comprises the analysis of the three different companies that have been interviewed through the questionnaire described in the chapter 5.2.2. The three other companies will be analysed in a similar way. Firstly, the answers will be commented based on the theoretical framework and the methodology discussed above. Secondly, findings will be compared to the practical guide Salesforce provided. Thirdly, some conclusions will be drawn. Finally, the previous practical guide from Salesforce will be discussed with all the data previously gathered.

During the whole theoretical process, some statements were redundant and one of them was that the company should know its mission statement, its view, etc. The company should know itself before starting a new implementation no matter the area. This analysis will try to provide a better understanding and some agreement or disagreement concerning the implementation guide provided by Salesforce.

It is important to notice that all the interviews realised are different in many ways. The first company is a product wholesaler, the second one is a service provider and the last one is a non-profit organization. Having three different types of companies is interesting but it is also a risk because of the difficulty to make some comparisons.

7.1 MÁS Wine Company

As previously mentioned, Kate, the Vice President of Marketing, was the person in charge of the implementation process. According to her, an executive sponsor should be present to succeed with the stage before the implementation. The initiator of the process should be motivated and be faithful in the project. If we analyse Kate’s profile, we can see that she worked at IBM before and she was used to using Salesforce in her previous job. With this former experience, she was the perfect person to be in charge of this kind of project. Furthermore, she is also the Vice President of Marketing. This job position is also very positive for the integration because she has the power to advice all the employees. Besides, Kate is also aware of the advantages of using Salesforce. She has the perfect overview to be motivated and she is able to understand all the implications. If we would like to compare her position to the loyalty ladder, she can be seen as an advocate or even partner (Pheng, 1999).

![Customer loyalty ladder (Pheng, 1999)](image)
In this situation, somebody who is advocate and really believes in the opportunities that the software can bring is crucial. We can say that she highlighted the competitive advantage that Salesforce can provide.

Besides, considering Salesforce’s pricing, we can assume that Salesforce meet the customer’s requirements. The price was not a barrier for the company during the implementation process. Therefore, Salesforce succeeded in providing an affordable product. However, from our point of view, it could be seen as an advantage or a drawback. First, the advantage is that the company could afford the hosted software, $65 for the professional version is not that expensive compared to other solutions such as Nutshell CRM that is more than $90 for a similar service (Nutshell, 2011). Salesforce manages to be cheaper than its competitors because it is one of the market leaders and is able to realise a profitable economy of scale. On the other hand, the price is also very important in the implementation process because of the pressure. If the price of the software is high, it implies more pressure on the management to implement it, and takes advantage of the new opportunities. For instance, if a company buys an expensive license for software, the management will do its best to push the employees to migrate to the new enterprise system and amortize the investment as soon as possible. Considering these two aspects, the price can be seen as a “double-edged sword”. In this case, Kate managed to only take the advantage of the situation. She was satisfied with the pay-as-you go business model that Salesforce uses. It is also relevant to notice that Kate chose not to use the trial period because she was already familiar with the software.

Like previously said, one of the main improvements Salesforce provides compared to a conventional CRM software is the flexibility and the easiness to adapt to every user and every situation. Kate Tweddale confirmed that it was for these reasons that she chose to implement the Salesforce on-demand solution. The hosted CRM give the chance to built software that fits to the business “only in two clicks”. Before starting to use any hosted CRM solution, the company should analyse different vendors, and compare the different solutions they can offer. MÁS Wine Company did not compare any different vendors. The most likely reason to justify this behaviour is that the company was new and that they did not have yet a very developed and expensive hardware infrastructure. Obviously, the experience is the best feedback ever and it worked in this case.

Practically speaking, one of the parts that can be seen as difficult is the data migration. Since it was a new business, it was not worth it to linger on this part of the process. Concerning the adoption barriers such as security, performance, outage, etc., MÁS Wine Company did not say that it was a critical obstacle. The only impediment that Kate was worried about was the performance. Since this problem is almost only due to the Internet connection, it was not a problem. Actually, the Internet browser did not require that much power and the data uploaded and downloaded on the servers that are not heavy. It is obvious that the company must choose the right subscription have a sufficient speed to work comfortably.

According to the interview, the most laborious task during the implementation was training employees. “People resists change”, this statement is the key-answer to this problematic. People are scared about change and it is difficult to make them change their minds, especially when employees have to alter their habits concerning a daily process they are used to. Every worker must add contacts and it could be time consuming in the beginning.
This is the reason why workers should have a good understanding of the forthcoming possibilities that the hosted CRM solution provides. Nevertheless, even if the assessment from the employee is hard to get, the user-friendly interface was a significant competitive advantage to use. Kate organized some team meetings to encourage employees to adapt themselves to the new enterprise system and it worked but she regretted not to have forced everybody to migrate straight away. In her opinion, it was the best alternative to have a faster adoption rate.

If we focus more on the business process, we can assume that MÁS Wine Company is young business. Kate underlined that, from her previous experiences, many SME use spreadsheets that are very inefficient and not synchronised or consultable in real time.

Additionally, the company should not forget that the implementation could not be considered only as a short-term process. In this case, the project manager was in charge of the whole process. After the implementation, the company needs to monitor and draw conclusions. “We learn from our mistakes” is a statement that could be applied on the monitoring period. It is called the post implementation where some secondary changes are realised. For instance, in Salesforce, many tools give the possibility to analyse the connections of every users. This kind of statistics provides a good overview of the overall situation concerning the adoption rate.

To conclude, the Vice President of Marketing, Kate Tweddale is clear with the point that it was not easy every day but finally, the results were even more convincing. People can be scared of changing the company can have the impression that it will be simple and fast. It was really interesting to have a user opinion.

Moreover, MÁS Wine Company is a recent SME with dynamic people. Thanks to this interview, we can see plenty advantages that a new company can take of. The implementation process duration can vary very easily but the final goal is still the same: “better organization, better sharing, better communication, better sales, etc.”

### 7.2 Scholarbuys

The CRM in the cloud was a first experience for Scholarbuys. Except the Marketing and Product Manager - Naomi Cadwallader - the staff was not really familiar to this kind of tool. Two things can be deduced from the interview: the employees obviously need to get trained, and Naomi is interpreted as an “executive sponsor” that will monitor all the adoption process. This was fortunately the case since according to Naomi Cadwallader: not only was the whole staff trained but, in the same time, they also found it easy to switch from the traditional administrative support to the CRM use. There was no opposition regarding the implementation, the employee reluctance was very low. A quick and smooth adaptation means saving time and saving time means saving money.

With these elements the CRM adoption seems to have been quite profitable for the company. Scholarbuys was founded in 2007. It is a quite young company, so this could explain why the employees found it easy to adapt them to the new system. Actually, being a newly implemented company is advantageous in many fields when implementing CRM software: The database migration was quite simple for Scholarbuys since the customer data was not that complex. The team managing was also quite simple for them, as they were a few numbers of employees willing to use the new system. Being a small company looks to
be quite advantageous when integrating new CRM software within the system. At least, a small team to implement a cloud solution is more effective. The communication is better between the members. Moreover, this smooth adaption can be the results of the corporate values: Scholarbuys advocates a casual lifestyle and participative interactions. This way of doing permitted to the company to be more open-minded in term of adopting a new ES.

Consequently, the size of the company impacted the implementation process. Thanks to this element, they did not need to make a financial plan, since it would not have a huge impact on their budget. One more time, it depends seriously of the financial health of the company. However, this can actually be risky, since a company must consider the direct and indirect investments while implementing a new CRM system. As mentioned in the theoretical framework, some indirect investments can be significant and have a negative impact on a long-term basis even if one of them has been taken into account: the human infrastructure. As the employees were really flexible, they could have a “learn as we go” strategy. Their training was therefore really smooth, time and cost effective.

However, the technical infrastructure has not been considered, nor was the direct investments. Actually, Scholarbuys did not need to consider these factors since they did not have to change the hardware infrastructure, which was advantageous. Finally, this implementation process did not consider the financial aspect to migrate in the cloud. It shows that the price is definitely a competitive advantage for this hosted CRM software developed by Salesforce.

Nevertheless, the fact that they wanted to quickly adapt the new ES without wasting time had actually some drawbacks on the final use. They did not know how to use all the available features. They might have missed some really useful elements that would have had a positive impact on their new system. This could compensate the time spending on the training, if they devoted themselves a bit deeper in getting to know this new tool. Sure, it takes an additional time, and can actually slow down the company’s activity. Therefore, the enterprise has to choose between making a 100% benefit from the CRM or keep on moving as the CRM is getting into the system. This depends upon their strategy: devoting more time to the CRM implementation affects the company in a short-term perspective, but it enhances the long-term run. However, the opposite option might make the company not draw all the benefits from the CRM. It would consequently affects the long-term run, making it less efficient.

Moreover, there is an interesting fact to notice when looking at Scholarbuys case. The external influence was not an element that pushed the company to apply for the CRM software. They were not really pushed by the competitive pressure, and they did not have any feedback from the competitors using this tool. However, they knew that some of their competitors were using this kind of CRM. They somehow got this external information, but taking over the competitors was not the main goal. It is essential enough to underline that the company did not migrate because they want to be like everyone else.

As a matter of fact, before getting the Salesforce’s CRM, Scholarbuys apparently had some complications regarding the internal management. Organizing up the internal management was one of the main objectives. With Salesforce, they could solve this problem. They got into a much more clear and organized management. They were better organized which allowed them to reduce costs, and therefore be more profitable. Actually, Salesforce brings an extra competitive advantage to the internal management; it gave the opportunity to have
a clearer organogram, a more effective management structure because it regulated the internal flow within the whole team. Consequently, this effectiveness and efficiency – doing the right and doing the things right - provided them a better service to their customers. Thanks to this evolution in the management, Scholarbuys was able to expand its market.

It was obviously the case when Naomi mentioned that they gained a competitive advantage over their competitors. They could be a step ahead over the competition, and get customers that they would not have without Salesforce’s CRM. This is one of the main advantages that a company gets with this type of CRM: tracking new customers. The hosted CRM has opened new windows of opportunity to conquer new markets.

As a conclusion, there is one fact that must be remembered with this case: a clear knowledge of what the CRM is about is required. This means a good involvement of the employees, especially the ones who are going to use the software. The main issue that Scholarbuys encountered is on the training level. They found it hard to train the employees and they were worried about wasting time in training too much the workers, as they wanted to go on with their business and do not be “out of the race”.

7.3 Idealist.org

Thanks to the interview, it can be concluded that the CRM in the cloud solution made the system considerably change. For Ideaslist, they did not use any tool in particular before. The company may certainly perceive their new system as being more efficient and effective in terms of costs and profitability. This is thanks to the innovation and especially the relative advantage gained by the enterprise.

That is to say that the new use of the CRM in the cloud clearly makes the company be more profitable than before, as it has some unique benefits from the CRM vendor (no real financial barriers): they got reduced direct investments, thanks to the free software fees. Again, the relative advantage is obvious in terms of financial offerings. This may for example reduce their operating and administrative costs. However, this was obviously not the main goal.

Indeed, first, concerning the employee friendly advantage, there will be an efficient interrelation between the remote staff and the customer service. Idealist.org wants to get a closer relation with its customers and provide them a very customized service. In other words the company gain a higher social status, especially among its website users. Improving the customer service was one of the main objectives. This was their corporate mission. According to their website and our interviews (www.idealist.org): “We started using Salesforce, a customer relationship management (CRM) tool, making it easier to support all of the people and organizations we work with.” Idealist was not worried about the potential problem of a cloud service adoption thanks to their business sector.

In terms of compatibility, this is a great change since not only did they switch their system into a CRM in the cloud solution but they applied for a more compatible computer system as well (from Microsoft to Mac). They clearly changed their technical infrastructure in terms of hardware tools and it was one consequence of the on-demand CRM implementation. However, Salesforce did not require the hardware change. This is important to underline that the hosted software did not necessitate this change. One more
time, we can advance that, except a quality Internet connection, the existing hardware was sufficient.

Besides, there was a good management organization. It seems like the implementation process was quite well organized: the CEO was directing the administrative team, which could advise the end-users. The CEO could be interpreted as a system administrator. The system administrator is normally involved all over the process. He should get a good understanding of what the enterprises needs as well as the managers and the end-users. Further, the administrative team is seen as an implementation leader that follows up the integration process and make sure that the CRM project is on time.

Nevertheless, Idealist.org got into one of the most common encountered issues: the internal rejection. They did not invest that deeply on the human infrastructure: there were internal conflicts when implementing the hosted CRM: there were users that were confused with the software and others that were very familiar with it. Some difficulties occurred when both parties had to cope with each other. The company experienced a lack of training regarding the end-users. The skilled users should have worked as “power users” which was not the case. The “power users” are supposed to monitor whether the project is suitable for each end-user. This process could have given the opportunity to homogenize all employees regarding their awareness about the software.

An important event was the consultant hiring. He facilitated the CRM adoption though. They were not “into the wild” without any skilled person. This consultant might probably have an executive sponsor role, who supported the initiative all over the integration process. The company had therefore a smoother adoption and the customization was better realised. Consequently, the staff did not learn on the job. Salesforce offers many extensions, units, etc. to improve the usability and to fit more to the business. The offer is so wide that it is difficult for somebody who does not have the time to devote himself in this task to choose the suitable extra units. The consultant carried out this task.

In fact, there was not a considerable competitive pressure. This to say that the competitive pressure was not the main factor that pushed them to adopt a new CRM system. The main reason was providing a more efficient service to the website users, and smoother way of working for the employees. We can conclude that it is one of the reasons why the implementing process was relatively long compared to a profit company.

As mentioned in the empirical part, according to Idealist.org opinion, when implementing CRM software within a company the system should be well organized in terms of people and employees. The users have to perceive the matter of the integration so the adoption is facilitated. To summarize, an efficient management support, and a clear understanding from the end-user is needed to get a successful implementation. In this case, some users were not really familiar with the new system and it was an impediment for the adoption. An effective training is clearly relevant in order to get the best from this new system. Finally, it can be concluded that the main thing to care about in a CRM adoption according to this case is the staff.
### 7.4 Kepner-Troge Matrix

As mentioned in the theoretical framework, we decided to analyse the point of view of a Salesforce user and comment it regarding the knowledge we acquired during the research process. The analysis of Idealist.org answer is relevant because it compared the hosted CRM solution with the other available ones such as in-house software and a traditional paper administrative support. Some assumptions can be drawn thanks to this reaction and we will try to explain them.

<table>
<thead>
<tr>
<th>Selection criteria</th>
<th>Salesforce</th>
<th>Traditional administrative support</th>
<th>Software installation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fast to get</strong></td>
<td>+</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td><strong>Information sharing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data base support</td>
<td>+</td>
<td>0</td>
<td>+</td>
</tr>
<tr>
<td>Partner</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Relationship Management</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Team work inspiration</strong></td>
<td>0</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td>Supervision of employees</td>
<td>+</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Less flexible</td>
<td>+</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Risk of losing Wi-Fi</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Saving cost</strong></td>
<td>+</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Save money in finding useful information</td>
<td>+</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td><strong>Security</strong></td>
<td>+</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td><strong>PLUSES</strong></td>
<td>6</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>SAMES</strong></td>
<td>2</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>MINUSES</strong></td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>NET</strong></td>
<td>5</td>
<td>2</td>
<td>-2</td>
</tr>
<tr>
<td><strong>RANK</strong></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

![Figure 14 - Idealist Kepner-Troge Matrix (Analysis) (Idealis.org,2011),(Own work, 2011)](image)

It is important to notice that the set of criteria was chosen according to us. Thanks to our overview of the topic, we chose the most relevant features that should be considered during the implementation process.

- Fast to get: Salesforce is clearly faster to implement than a normal software thanks to many plugins provided by Salesforce. A traditional administrative system does not need a long implementation because it is a day-to-day adaptation with a long-term view.
• Database support: It is obvious that a software provide a better data management than a paper solution.

• Partner Relationship Management: Idealist.org says that there is no difference between the three solutions. For us, we would like to underline that with a software, it is easier to have a good communication with partners. It is easier to include attached files, to copy/paste address, names, etc. Moreover, having a dedicated file for every partner is a relevant solution in order to have a customized relation with the company’s partners.

• Teamwork management: In this case, the non-profit organization thinks that a traditional CRM solution provides a better teamwork. It is understandable because interactions between all employees are less frequent when everything is synchronized online. However, we can suppose that Idealist.org does not use Salesforce in the best way. In fact, recently, Salesforce inaugurated a new service included in the basic version of their hosted CRM software called “Chatter”. This service offers the possibility to interact on all the projects that the company is involved in. Every employee can update a status on his or her account asking for help, giving advices, claiming, etc. It improves a lot the communication through the different departments and provides the possibility to be more open-minded. One more time, a specialist is needed to support the company to stay up-to-date.

• Supervision of employees: Salesforce is permanently connected and it is relatively easy for the top management to get results and statistics in real time about every deals or every employee. We do not understand why the traditional administrative CRM gives also this opportunity. Therefore, it is impossible for the manager to verify what is happening in every paper files, or at least, in a fast way.

• Less flexible: The flexibility is one of the most significant competitive advantage of Salesforce, this answer seems obvious.

• Risk of losing Wi-Fi: Using a computer with Internet access to manage the CRM implies a risk. This risk was described in great details in the chapter 4.2.1. Furthermore, the current communication is constantly evolving and the emails are more and more utilized for corporate communication.

• Saving money finding useful information: One more time, the Salesforce layouts provide to the user a great experience to find what he or she needs. If the complete database is in the cloud, every user has access to the relevant information. This is also one of the most valuable advantages that a hosted CRM software offers.

• Security: It is very interesting to see that Idealist.org is trustful with Salesforce CRM solution. It is comprehensible because Salesforce dedicates a really big amount of money to improve its security. Therefore, the security should be even better than the traditional administrative CRM. In the whole history of Salesforce, the only attack - that had a media coverage - was in 2006 when they faced a phishing hack. Many email addresses were stolen and used to send spam with fake invoices. It was a really embarrassing situation for Salesforce because many critics ensued from this event (McMillan, 2007). However, considering the amount of data
on Salesforce’s servers that could be very interesting for hackers, the security is definitely a competitive advantage for Marc Benioff’s company.

To summarize this comparison, we are allowed to say that the Salesforce solution is definitely better than the in-house software or the traditional paper administrative support. This type of analysis is quite subjective and not scientifically approved. However, this matrix is a good tool to have clear understanding of the point of view of a company. It offered the opportunity to a manager to write down all the ideas he has and take a rational decision.

7.5 Salesforce Practical guide

Salesforce provided us a practical guide for SMEs implementation. It was worth it to compare the results we obtained with all the advices they specified and their roadmap. Their paper was divided in 5 chapters. The guide can be consulted in the Appendix 2.

We decided to integrate the comparison in our conclusion and highlight the parts in which our survey agrees or disagrees in order to have a more objective practical goal which does not focus only on Salesforce even if our thesis was certainly linked to Marc Benioff’s company.
8 Conclusion and discussion

This chapter highlights the strategy of how a SME can manage to plan and succeed its migration in the cloud for its CRM solution. We decided to split our guide in three steps. These steps can be considered as a relevant beginning for SME to have a clear understanding in order to implement an on-demand CRM software such as Salesforce, SAP, Siebel or Nutshell. According to us, a successful implementation in a small organization should be divided in the following steps:

1) Plan and prepare
2) Set up and training
3) Monitoring and corrections

This scheme is based on the knowledge we gathered during all the research process. As we mentioned in our implementation process chapter, before any acknowledgement, having a clear understanding of the opportunity that a new ES provides is essential. The consequences of the choice have to be studied and analysed. Firstly, the implementation must be prepared and planned with a defined timeline. Secondly, the action is needed. The company should follow if project timeline and begin the training of the ES users. Finally, the SME has to verify if everything is optimized and, if need, take relevant decisions in order to modify and improve the system.

**Plan and prepare**

This step is certainly the most crucial one. The company does not only need to come up with an interesting idea. This idea should be capitalized, analysed, measured, etc. It starts with defining the company’s needs. The manager has to ask himself plenty of questions such “How many users are going to use the hosted software?” “Which department is the most likely to adapt the on-demand software for the trial period?” “Who will be the best person in charge of the project?” “Which added values will the CRM in the cloud bring?” “Which subscription should we take in order to fit with our budget?” “Are the vendors that I chose good enough to compare their offers?” This list could never end and the most important is to focus on certain specific features.

According to the interviews that have been conducted, not considering more than one vendor is a mistake. The CRM in the cloud market is in a constant expansion and even if some vendors are key partners with famous global companies, some other vendors offer very interesting services and products along with attractive price. Even we only analysed Salesforce solution, we are convinced that many other alternative exists and are also attractive. Of course, Salesforce – with its 13 years experience - has a significant competitive advantage but many competitors are on the field and it is important to compare the market to fit with the company needs. It is obvious that a profit company will not have the same as a non-profit one. As mentioned in the Hershey failure case, defining the company is the most important part.

We thought that a general meeting with all the department managers should be organized to expose the project to everybody and analyse the plugins that are required for each of them. The person who came up with the idea is often one of the most situated to lead the implementation project. Moreover, every department should expose its worries. We are thinking particularly to juridical issues, performance requirements, storage needs, financial
situation. The project initiator should give a project file to every manager to present the product and ask them to come up with their advices and questions. Like it was mentioned in the Salesforce guide, “different groups are likely to have different goals”. We totally agree with that statement and encourage doing a brainstorming as an initial meeting. It is important to be realistic concerning the goals.

A good perception of the company current business process is required. In a SME, even if we considered enterprises with less than 500 employees, a project time line should be drawn. We agreed with Salesforce saying that the migration should be linked to the company schedule. A suitable time for the implementation could be a new fiscal year, a holiday period, an off-peak period, or the time when the current software may become unavailable.

Then, an implementation approach should be chosen. Thanks to our interviews, we can say that the best one is without any doubt the “advocate” which consists in having a project manager who believes deeply in the hosted software. Then, the “scrum approach” which is a perpetual improvement of the whole software from the beginning is for us the best one. A SME gives the opportunity to the project manager to handle a small amount of people to try a new unit. However, all the hosted CRM providers often try to release new version of their software. With this approach, the manager in charge is able to revisit and improve constantly the platform. The only drawbacks that we have seen so far is that the company could not have enough resources to have a specific employee who is responsible and take time to analyse constantly the new releases. One more time, the company’s goals will determine the most relevant choice to adopt.

Besides, the human concern is the key feature in the implementation process. We noticed through the interviews that, in every company, only one person was in charge of the project. For us, this person is the key partner of the program and the success rate will greatly depend of his/her capabilities to lead the implementation. This person should meet, according to us, some requirements such as:

- Believe 100% in the project
- Have time to be focused enough in order to lead a new project
- Have a clear perception of the company
- Have at least basic technical knowledge
- Have enough power to influence employees
- Have strong communication skills
- Have strong persuasion skills.

This list is not exhaustive but appears to us as a good beginning to choose the project manager. We can call this person an executive sponsor. In accordance to our multiple case study, we would like to recommend only one project manager who could be also the executive sponsor. In small enterprise, it should be the best solution with the highest success rate such a Kate Tweddale from MÁS Wine Company who met both. Oppositely, Salesforce promote a bigger team composed for example of system administrators, power users and trainers. In a small business, the most common objective will be growth and if too many people are involved in the process, the return on investment will decrease quite fast. One of the case study, Idealist.org, can confirm this claim: the project team was composed of several people and they did not manage to go deep enough. They were satisfied with the software but they were also persuaded that they could go deeper and take advantages more
than now. It is also important to mention that none of the hierarchy of the company changed. The company should not worry about changing the business structure in order to implement this hosted CRM solution. Even better, it reinforced the current structure for our three interviews.

Nowadays, concerning the security, it does not seem to be the first SMEs preoccupation. They feel confident with Salesforce. The same statement occurred regarding the competitive pressure: none of the companies felt pressure from the competitors during the implementation process.

Finally, according two the three companies interviewed, making a financial plan is not required. Nevertheless, we should temper the situation. As a SME has always limited resources, the best way to succeed is to plan the financial perspective on a long-term basis. As previously expressed, some indirect costs can happen and damage the profitability of the project. In our opinion, Salesforce chose the relevant business model to deliver its software. The user-friendly interface gives immediately a positive impression during the trial period. Since people are very reluctant to change, this first impression is essential and will act upon the whole implementation process.

**Deploy and encourage adoption**

Deploying CRM is the beginning of whole implementation process. Migrate all the databases onto the cloud is the main part. According to the primary data that has been gathered, the data migration is not a real barrier in the case of a medium or small sized company, especially for start-ups companies. As a matter of fact, MÀS Wine Company and Scholarbuys did not find the migration part really tough. Since it is a young company, the database was not so complex, and the migration quite simple. However, these companies tend to migrate their databases while they are in a full activity. They do not want to waste time in focusing much on the implementation process. They are actually afraid to be left behind in a short-term perspective whereas they can focus on the long-term run, by concentrating their skills on the deployment process, without compromising the short-term strategy. We will be tempted to advice that moving during the full activity period is not the best choice. But sometimes, you have to take a step back to move forward.

Actually, separating the integration process from the company’s activity is essential. An enterprise must give the needed energy to the CRM deployment. This means clear up the database, and focusing on having a relevant data. Besides this, the migration process must not affect the company’s work, meaning that the opposite case is also necessary on a long-term basis. A good solution to respect these rules is to import data during non-working hours, as the Salesforce’s practical guide proposes it. This way, the short-term work will not be affected, and the long-term strategy will be ensured. An insufficient work giving to the deployment process will be of course beneficial for the short-term perspective, but it will compromise the long-term run like Scholarbuys Company may have experienced. Everything is about a great balance.

However, it is important to notice one fact: it could be logical if a small start-up makes the choice not to devote that much itself to the deployment process as the databases are easy to manage and simple to migrate onto the cloud. Oppositely, an older or bigger company that has more complex databases should be more careful about the deployment process since it needs more time, and a stronger employee commitment.
Consequently, taking a full benefit of the CRM involves having a clear and manageable database. The use of the CRM will be therefore really efficient, under the condition that the database is well prepared.

Moreover, the deployment process involves employees that will use the tool as well (actually the end-users). Usually, they are a bit reluctant to the change, they find it difficult to switch up the habits they have had for years. As mentioned in the theoretical framework, Hershey Company experienced a CRM failure due to an internal rejection. Scholarbuys opted for the “learn as we go” option, which was not necessarily a wrong choice, but risky one. According to Salesforce, the training process needs 1 to 4 hours depending on the complexity of the integration. It can for example be split in multiple days, so the end-users can devote 2 hours per day during 2 days to their training. We think it is a proper solution. Of course, training end-users involves the same issues as the data importation: the short-term and long-term balance. To conclude, we think that a good equilibrium between “learn as we go” and specific training seminars is the solution that will give the best results.

This choice mainly depends on the size of the company. The bigger the company is; the tougher will be the problems if the end-users are not well prepared. Effectively, in a bigger company, the gap between the skilled users and the inexperienced ones is more likely to be significant. This can actually lead to internal conflicts, like Idealist.org experienced even though it is a small company. It is really essential that all the end-users start from the same departure line before using the CRM software. We might say that different seminars can be given dependent of the level of everyone. For instance, Salesforce published webinars that every member of its community can follow whenever he wants in order to increase his software knowledge.

An important element to mention before training the employees is to make them understand the matter of this new change within the company’s system. They all have to understand why the company opted for a new customer management system, and the importance of it. They have to be motivated, and understand that this new system is here to help them do their work more efficiently, and make them avoid some administrative work that they were obliged to achieve before. For instance, during the training process, pointing out the notions they have to take away before the end is important. This means setting up goals and objective so they can have a clear view of what must be learned and understood.

The next step that follows the deployment part is the adoption. The end-users finally start using the CRM tool. At this stage, everything is not gained yet. The employees have to be on board and the sponsors have to make sure that no one is left behind. The organization set up in the beginning has to be kept like the three interviewed companies did. This is the reason why we said that the project manager should have good communication skills.

In Idealist.org, the CEO was directing an administrative team, which was in charge of training the end-users. The sponsor was hired as a consultant, and they had power-users. The consultant was there in the beginning and he was only there once. Consequently, on a long-term point of view, the consultant is not the best solution.

A good management of people means a well-organized way of working. For instance, motivating the workers, and pushing them to do better by giving them additional allowance money is a good example. It can be somehow complex to focus on one more thing that
Salesforce’s CRM is. Getting rid of the gaps before they take over the users’ motivation is also important. Actually, at this stage, it is primary to think long-term.

Monitoring and corrections

Considering that a company is continuously growing, the monitoring and corrections are crucial as well. Monitoring can be considered as the post-step compared to the implementation. As Idealist.org underlined, Salesforce offers many possibilities to monitor and adoption rate and they are still convinced that they are underusing the on-demand CRM software. It is totally true; thanks to the theory, especially the implementation process, the monitoring should be included in the migration process.

According to the knowledge we acquired during the research process, we can say that a SME with limited resources should make a strategic choice concerning the monitoring. Salesforce, as we studied this vendor, provide many tools to see if the users are using it or not. This analysis should be verified in a long-term basis. The SaaS market is high competitive and many start-ups prosper everyday to increase the service quality. All the providers do not rest on their laurels. They constantly improve their services. For instance, Salesforce releases at least two major versions a year (Salesforce.com, 2011) and develop partnership with other companies.

Finally, we totally agreed with Salesforce concerning the community support. Everybody is connected on Internet and joining a community is easier than ever. Consequently, being involved in the development of future releases can offer many new opportunities. Discussing with competitors, taking part to events or fairs are the best solutions to improve and correct the CRM. Nevertheless, we can understand easily that in SMEs, it is quite tough to spend time trying to improve something the company is satisfied with. We would like to conclude with a quote which can summarize the choices that managers should know “good balance.”

8.1 Further studies and limitations

The study gives a great insight to implement Customer Relationship Management in the cloud. However, this bachelor dissertation must have some limitations. Here are some examples:

- The Kepner-Treoje Matrix could be considered as quite subjective because we chose the aspects to analyse.

- The field of study is relatively new and we did not find theoretical article discussing exactly our research question. We can consider that a theoretical gap has been found. It was also the reason why we mentioned in details our literature review.

- We decided to analyse three SMEs but we only chose Salesforce as provider. It could be interesting to broaden to more than one provider.

Thanks to all those reasons, we found opportune to explore some aspects more deeply such as a complete comparison with global company: large companies and SMEs have a management style quite different and this comparison will be very interesting. In fact, large companies often have financial wealth compared to SMEs with more limited possibilities. It
could have been a reason why large companies got faster in the cloud. Moreover, it can be said that the adoption of information system (IS) innovations in SMEs cannot be a miniaturized version of larger organisations (Boumediene, Kawalek, & Oswaldo, 2009).

Moreover, this study focus only on one demographical area, The United States. It could be interesting to concentrate in another geographical area or focus deeply on the financial plan to establish and apprehend this project success to be successful with it.

As the internal rejection was the most important barrier, a study focusing on training and make employee change could be interesting even if in another field of study.

The Cloud Computing is at the dawn of its success. Many companies are reaching the cloud and they will always need a Customer Relationship Management solution. The subject is still understudied, giving the opportunity to look in many different ways into this new paradigm.
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Appendices

Appendix 1 - Interviewing guide

The technological context

Relative Advantage

- Which tool were you using before the hosted CRM implementation?
- Did you make a financial plan for the implementation itself?
- Was your goal more oriented to a profitability perspective or employee friendly perspective?

Compatibility

- Can you describe the database migration?
- Did you change your hardware infrastructure? (Internet provider, servers, computers)

Complexity

- Do you think that the complexity of the software could be a factor considered as an implementation risk?

Triability

- Did you have a trial period before implementing?

Observability

- Have you ever had any feedback from a competitor using this software before applying for it?

Organizational context

Top management support

- Who came up with the idea to migrate to a hosted solution?
- Can you explain us the decisional process of adopting the CRM software within the company?
- Who were the actors of the decisional process?

Organisational readiness

- Did you prepare the whole staff to this significant change within your company?
- Did you encounter any opposition regarding this new idea?
- Did you have to change your business organogram?
- Were you financially ready to move in?
IS experience

- Have you ever had a previous informative system such as: supply chain management, or enterprise resource planning ERP.

Size

- Was the size of your company impediment for the implementation?
- Have you ever analysed larger company implementation?

Environmental context

The industry sector

- Do you think that your activity’s sector influenced the integration process?

The market scope

- When adopting the CRM software, was it in a market expansion perspective?
- When adopting the CRM software, was it in a reducing cost perspective?

The competitive pressure

- Before integrating the system, did you have any competitor owning a similar solution?
- Was the competitive pressure a significant factor to choose the CRM implementation solution?
- Do you think that the IS solution has made you get a competitive advantage over your competitors?

External IS support

- Before the integration were you aware of any third-party support in order to facilitate the implementation process?

General questions

- Regarding your experience, what was the most difficult part of the implementation process?
- Have ever had any negative feedback that influenced your decisional process?
- If you had to improve anything within the implementation process, what would it be?
- Did you consult any guide or written help concerning the implementation process?
- If you had to tell us only one advice for a CRM implementation what would it be?
Appendix 2 - Practical guide provided by Salesforce

5 steps to a successful implementation

No matter how big or small your company—or the Salesforce CRM project—success requires planning, commitment, and strong sponsorship from your company’s executive team. It’s also critical that you understand the needs of your managers and users before getting started. Without a detailed understanding of these needs, it’s easy to overlook in customizing the application just because it’s so easy.

For detailed information about implementing Salesforce CRM, go to the Getting Started section on the Community pages. You’ll find information about individual implementation topics, as well as a Getting Started Guide (scroll down) that pulls all the information together and includes a link to a workbook you can use.

Here are the 5 steps to a successful implementation:

1. Plan and prepare
2. Set up and customize
3. Deploy Salesforce CRM
4. Drive adoption
5. Continuously improve

Step 1: Plan and Prepare
Your first step is to plan and prepare. In this step, you’ll identify your company’s vision, goals, and metrics as well as your resources, tools, and dependencies. Getting this step right is crucial, so you won’t waste time or have to backtrack.

Organize your team
The size and scope of your rollout will determine how many resources you need. However, all project teams should include the following participants:

- **An executive sponsor** – The project’s executive champion should participate and support the initiative from the beginning, through go-live and beyond.

- **One or more system administrators** – This person should be involved throughout the implementation and afterward. It’s important that the administrator understand the business processes and requirements from managers and users. For information about how to plan administrator resources, see the Best Practice document “Achieving outstanding CRM administration.”

- **A project manager** – This person leads the implementation and makes sure the project tasks and overall timeline are on track.

- **One or more power users** – These users help ensure your project will meet the needs of the end users, including management. We also recommend that you use power users as first-line support. To fill that role, consider training these users first and then providing more in-depth training.
• **One or more trainers** – Trainers need to identify relevant materials from salesforce.com or develop custom training materials (such as quick-reference guides). You’ll need materials both for the initial implementation to on-board new users and once the application is live, for remediation or for new functionality.

**Set realistic goals**
Your Salesforce CRM implementation will be an ongoing, living process. To get the most from your investment, it is important to roll out functionality early and often. Start with small goals that track against your overall vision. We recommend that you “crawl, walk, run” by keeping your goals simple and attainable and then adding to your achievements.

• Define how Salesforce CRM fits into your overall corporate mission. For example, you may want to focus on collaboration or pipeline management and forecasting.

• Define initial objectives that align with your vision and can be expanded once you deploy.

• Prioritize and document your requirements. Gather requirements from your business and end users and map them to the objectives and overall vision. For example, your users may want to “track tasks and events,” so make sure that functionality will be available.

**Understand your data**
Whether you’re moving from another CRM application or simply tracking customer information in applications such as Lotus Notes and spreadsheets, you’ll already have existing data. Data always becomes a bottleneck if it is not reviewed and cleaned early in a project.

Most customers underestimate the effort it takes to clean up, map, and load data. Data shouldn’t be loaded until your system is set up, including setting up your role hierarchy, sharing model, and sharing rules.

By taking the time to understand your data during the planning stage, you can help define critical questions such as “Are we tracking crucial data?” and “What else should we be tracking?” For more information about the importance of data quality, see the Best Practice “6 steps toward top data quality.”

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**Choose an implementation approach**
The two most widely used approaches are the “waterfall” and “scrum” methodologies. Waterfall is the traditional, phased, sequential approach that may lead to a drawn-out implementation timeline. The scrum approach is to constantly build and deliver small units of functionality and revisit and refine them with each cycle.

Salesforce.com uses the more iterative scrum approach for its development. With our regular releases (spring, summer, winter) we deliver new enhancements as soon as we have a baseline of functionality and then build and refine the functionality based on user feedback and use cases. For example, our quoting module was first delivered as a pilot with limited functionality. We added additional functionality in the next release as a beta release. In the next release, we added even more features and made it generally available. We’ll continue to add additional features as customers use quoting and let us know what they want.
Decide which approach suites your business. Many enterprise customers start with the waterfall approach for the initial release and then start using a more agile approach, scheduling regular major (for example, quarterly) and minor (for example, monthly or bi-monthly) releases.

**Build a project timeline**

Once you’ve chosen an implementation approach and prioritized all requirements, you can build the project timeline. Every timeline needs to include the time required to design, build, and deploy. Prioritization of requirements is also key to ensure any “must-haves” are included in the first phase or rollout.

If you use a scrum approach, your timeline will consist of short iterations of the design, build, and deployment phases for a smaller set of requirements. With the waterfall approach, the design and build phase includes all requirements prioritized for the initial deployment. For both approaches, consider what tasks can be done in parallel, such as cleaning, mapping, and loading data.

For both approaches, consider each requirement and estimate the effort required to implement it. For example, determine whether you can meet the requirement with out-of-the-box functionality or business processes (low effort) or whether custom development or integration is required (high effort). Use that information to determine how long it will take to implement each requirement.

Note that your timeline may be driven by additional factors, such as when your current system may become unavailable or a new fiscal year. Such considerations are a big reason why it is important to understand your goals, objectives, and must-have requirements.

**Step 2: Set up and customize Salesforce CRM**

Once you define your requirements, understand your data, and choose an implementation method, you’re ready to set up and customize Salesforce CRM. We recommend you keep the initial implementation simple and use the “click-not-code” built-in configuration tools, rather than using Force.com code (Apex) and the pages functionality of the Force.com platform. As you get experience with the application and feedback from your users, consider how to enhance the application with those tools.

Define early how to customize the application. For example, if you need multiple record types for an object and field-level security, identifying that need helps as you create new custom fields and associate them to the correct record type, page layout, and security level in the wizard.

Be careful not to over-configure. For example, one customer created many new fields on its contacts page, which meant users had to scroll—a lot. As a result, they did not fill out many fields and the company had start over with designing that page.

Here’s a suggested approach for setting up and customizing Salesforce CRM:

- **Define the security settings** – Include the organization wide-defaults, roles, and user profiles. Test those settings by logging in with different roles and profiles. Make sure each user type can see, create, and edit information as needed, that the fields are in the right order, and that critical fields are required. Another important step is mapping all the roles to the users who will be added to the system, to ensure all users are associated with the correct roles when you go live.

- **Customize the application** – Create custom fields, page layouts, custom objects, custom tabs, rules, and other application customizations based on the design for each requirement to meet the business needs.

- **Create your reports** – We recommend that you start with the standard reports and customize them as needed to show the information you defined in the planning stage. You can easily customize reports to include any custom fields you need.
**Step 3: Deploy Salesforce CRM**

The timeline you defined in the planning stage should define the deployment phases and associated schedule. At the first stage, your task is to get your instance of Salesforce CRM “production ready” by creating and adding users, loading your data, and training users.

It is important to communicate early and often, so users know about coming changes. Communication should come from the executive sponsor and focus on both the benefits to the company and what’s in it for the users. Build excitement and set expectations. As the deployment draws nearer, outline the deployment plan, including when users will be trained and how they’ll be supported.

**Add users**

Before loading your production data, first load all users. You can load users manually, one at a time, or with the data loader functionality. We recommend you first load all users and data in a sandbox environment before loading the final set of data into your production environment. (Unlimited Edition includes sandboxes; for all other editions, you can purchase sandboxes for an additional fee. Please contact your account executive for more information.)

If you load users with the data loader, the password notification is not automatically sent out. That’s good, because you don’t want to send out passwords until users have been trained and you’re ready for them to log in. If you add users manually, you can select whether the user is notified.

**Import data**

Because data is loaded at a specific time, the transition will be easier if the data load is as close to deployment as possible. Be sure you schedule enough time to map and test the data. Here’s a summary of the steps involved in importing data:

1. Plan your data import
2. Prepare your data
3. Test the import
4. Execute the import
5. Validate your data

**Note:** If users are still entering data into an existing system after the initial data load but before the go-live or cutover, there may be a set up “delta” data set. You’ll need to import or manually load that data and incorporate it into any training exercises.

**Train end users**

If you have a sandbox environment, you can train end users around the same time you load your data. Use a subset of data—or data developed specifically for training—and plan training with hands-on exercises as close as possible to the go-live date. The sooner users can begin to use the application, the better; that way they can get immediate help in response to any questions.

Once users are trained and using the app, make sure they understand the support process. Define a contact for answering questions. And don’t forget about the power users. What if they can’t see their data?

Schedule regular support sessions for the first week or two; that’s when you’ll get the most questions. Also, post links to training, job aids, quick reference guides, and where to get help—for example, on your home page.

Salesforce.com provides free online free training for end users. Also check out the following Best Practice documents: “10 tips for a successful training plan” and “How to develop a comprehensive training strategy.”
Step 4: Encourage adoption
Once you’re up and running, it is critical to get your users on board. To do so, it is important that you support your users, measure adoption, and encourage adoption.

User adoption begins with executive sponsorship. For the initial deployment, the sponsor must communicate clear expectations as well as enthusiasm. Usually, a combination of “carrots” and “sticks” works well, such as a mandate that “If it is not in Salesforce CRM, it doesn’t exist.” Use exception reports and dashboards to track usage and then use that information to understand where you need encouragement or enforcement.

Measuring adoption is critical, both immediately after go-live and over time. Set up usage reports and use adoption dashboards to track progress right from the start. You’ll find adoption dashboards on the AppExchange. Use these dashboards to track login activity and new records added by users—both are a good start in ensuring users are logging in and beginning to use the application.

Also, check out Chapter 5 in the Getting Started Guide and the following Best Practice documents: “Beyond login rates: Three key areas for measuring adoption” and “Tips for using incentives and awards to boost adoption.”

Step 5: Manage releases
Once Salesforce CRM is live, a new cycle of planning begins for the next phase, as you make available new functionality to add value and respond to user requests. Release management should begin as soon as possible after the initial deployment. This approach will also let end users know that you’re addressing their needs and requests. For more information, refer to the Release Management Best Practices Guide.

Summary
Although Salesforce CRM is easy to get up and running, proper planning and preparation is essential for a successful implementation. Start by securing executive sponsorship so you have support when building your project team and communicating with the end users. Set up and customize the application so it works for your company’s unique needs. And continually revisit and optimize the application, build and refine your metrics, and always keep your end users and overall vision in mind.

To support you in this process before, during, and after your implementation, salesforce.com makes a number of resources available. In addition to the Getting Started Guide and associated workbook, we suggest you explore the following:

- **CRM Community**, where you can participate in the conversation
- **Blogs and discussion forums**
- **User groups near you**
- **Current Webinars**, to get information right from the experts
- **Ideas** functionality, to suggest new products, promote favorite enhancements, interact with product managers and customers, and preview upcoming releases

For More Information
Contact your account executive to learn how we can help you accelerate your CRM success.

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