

# Sage CRM Whitepaper

**On-demand or on-premise CRM: 10 things  
to consider before making your decision.**

## Introduction

Globalisation, increased consumer e-sophistication and borderless transacting have fundamentally changed the way that businesses interact with their customers over the last ten years. Companies today, regardless of size, face unprecedented market change, customer complexity and competitive pressures. They have had to 'up their game' rapidly in order to keep up with ever-changing customer requirements.

Internet technologies, along with advances in wireless telephony, have played a significant part in this change process. Traditional customer touch points have been supplemented with, or in some cases supplanted by, a variety of new customer interaction types. As a result, today's customers expect to be able to deal with businesses on their terms and through their preferred channels. This has presented a particular challenge for businesses as they struggle to reconcile an increasingly fragmented customer experience and attempt to bring together sales, marketing and customer service operations to better support meaningful business relationships over the long term.

During this time, Customer Relationship Management (CRM) has moved to centre stage as the business tool of choice for developing purchasing insight, fostering customer loyalty and driving profitability.

Historically, CRM was expensive and only adopted by large enterprises operating in high-churn industries such as telecoms and financial services. Today, however, CRM is not only highly accessible to small and mid-sized businesses (SMBs), it is regarded as essential for their commercial survival and success.

The growth of CRM within the SMB segment is not surprising given the limited sales, marketing and customer service resources that companies in the segment operate with, and their need to maximise customer revenue yield and retention. Leading industry analysts predict that CRM will be the #1 SMB business applications spend area over the next 3 years with AMR Research forecasting that SMB spending on CRM products will exceed \$18bn globally during this period.

Adoption within the SMB segment has been driven in part by the increased availability of on-demand CRM.<sup>1</sup> On-demand, or Software-as-a-Service (SaaS), represents an attractive proposition for companies that want ease-of-deployment, ease-of-ongoing-administration and a predictable monthly cost. It is particularly compelling for companies investing in CRM for the first time, or for businesses looking for out-of-the-box business process automation.

On-demand, however, is not for everyone and choosing between on-demand and on-premise requires careful consideration. Competing CRM solutions are separated by more than just their deployment model. There are several latent considerations which are generally overlooked in comparisons of two models. Companies, therefore, need to adopt a broader, more holistic approach to evaluation and clearly understand the context of deployment within their overall selection criteria. SMB companies in particular, should focus on their business requirements; both in terms of scale and complexity, over the long term.

---

<sup>1</sup> Gartner predicts that on-demand CRM will grow at over four times the rate of the overall CRM market during the period 2006 – 2011. Source: Gartner Forecast, CRM Software, Worldwide, 2006 to 2011

## **10 things you need to consider before choosing your new CRM solution**

This whitepaper examines the 10 most important considerations associated with CRM selection and discusses how both on-demand and on-premise deployments impact upon them. These considerations are categorised as follows:

1. Data and application hosting
2. Total cost of ownership
3. Speed and ease of deployment
4. Ease of on-going support and administration
5. Front-to-Back-Office Integration
6. Customisation
7. Full Suite CRM
8. Mobility
9. On-the-ground support
10. Deployment Choice

This whitepaper also examines how Sage CRM addresses these considerations through a series of customer-focussed articles on deployment type.

### **1. Data and application hosting**

While on-premise CRM retains customer data onsite, on-demand CRM is predicated by the need to externalise customer data offsite at a 3<sup>rd</sup> party facility. This is a major stumbling block for many companies; the potential for data loss or compromise is simply a risk not worth taking. Supporters of on-demand CRM, however, contend that this deployment type actually enhances data security rather than compromising it; customer data is stored in a highly secure, purpose-built data centre with levels of redundancy, backup and monitoring that most organisations, particularly SMBs, could not hope to match. Data security and CRM application availability are critical considerations for any company examining on-demand CRM, therefore, a thorough data centre review should be part and parcel of any vendor selection programme.

This data centre evaluation should encompass physical elements such as: (a) location, (b) facility-level security, (c) hardware infrastructure, (d) software infrastructure, (e) availability of co-located premises, (f) uninterruptible power supply and (g) telecoms/networks. It should also examine process and policy considerations such as: (a) disaster recovery reviews, (b) 3-nines availability guarantees<sup>2</sup>, (c) periodic security audits, (d) employee screening and (e) independent certification e.g. SAS70.

---

<sup>2</sup> Gartner estimates that world-class on-premise applications provide 99.5% availability, therefore companies should seek 99.9% availability from potential on-demand providers to allow for internet-related downtime. Source: Gartner, Many questions raised on CRM on Demand at Gartner Summit, Desisto, 2006

A comprehensive review of any potential vendor's data centre should help to reduce or eliminate any residual concerns about on-demand data security and application availability. Once carefully evaluated, dedicated external data centres can deliver security, performance and availability, potentially at levels far superior to those achieved through an internal project deployment, particularly in the case of SMBs.

### RECOMMENDATION

You should only select an on-demand CRM vendor that meets your security, availability and application performance requirements after completing a comprehensive data centre review. Additionally, it is clear that you may benefit from selecting a vendor that provides both on-demand and on-premise deployment types, such as Sage CRM, as well as the flexibility to move from one model to the other in the future. This provides the best choice where there are still residual concerns about hosting their customer data externally.

### WHAT DOES SAGE CRM PROVIDE IN THIS AREA?

- Deployment choice between on-demand and on-premise
- Data portability; move with ease from on-demand to on-premise, or *vice versa*, as your business requirements change
- A world class, SAS70 certified data centre for on-demand deployment

#### **Customer Focus - Raydiance Inc**

Raydiance, Inc. is a leading provider of UltraShort Pulse (USP) laser technology for the medical, manufacturing and defence industries, and selected the SageCRM.com on-demand service to automate its sales, marketing and customer support processes. SageCRM.com has allowed Raydiance employees in various regional offices to securely share centralised customer data and work collaboratively with sales pipeline features.

Raydiance is using SageCRM.com to securely house and manage information for a wide range of its business areas as the company transitions from a heavy research and development phase into aggressive sales of its USP laser systems. SageCRM.com has helped organise this information and store it in a way that is always easy to access, whether in office or mobile to help the business throughout each customer sales cycle.

As a start-up company with employees across the US, the company wanted flexibility and choice in the way it deployed CRM but also the knowledge that it could be easily changed as the business requirements altered. Raydiance decided on the hosted SageCRM.com implementation, knowing that its web-based architecture would allow for future migration to an on-premise Sage CRM should the business require it.

## **2. Total cost of ownership**

Lower cost is perceived to be one of the most obvious advantages of on-demand CRM over on-premise. On-demand solutions do not require the same upfront capital expenditure on software and hardware infrastructure, or potentially the same resource requirements for on-going system administration as on-premise. While on-demand may provide a lower Year 1 cost, this does not necessarily translate into a

lower TCO (total cost of ownership) over a 3 year period in all cases. An on-premise solution may provide a more compelling TCO when compared to certain on-demand solutions over the longer term. This is a particularly important consideration given that the average lifecycle for a CRM solution today is in excess of 5 years<sup>3</sup>. Companies evaluating potential CRM solutions should carry out a detailed analysis of all costs associated with both on-demand and on-premise solutions.

As with on-premise solutions, feature sets and product capabilities vary significantly between on-demand CRM providers. It is therefore important to make a like-for-like comparison when examining cost. While one on-demand solution may offer a lower monthly charge per user over another, you should ensure that the lower cost option is not provided by jettisoning core areas of functionality or limiting product capabilities unnecessarily. It is also important to consider downstream functional and scalability requirements. You should attempt to define, in broad terms, your future functional requirements e.g. the adoption of CRM to manage customer service, as well as the number of employees that are likely to require access to the system. These future requirements should be factored into the cost analysis. The fact that CRM is delivered on-demand does not preclude the need to retain IT resource for enhancements and system administration. Customisation and integration requirements for example, can have a significant impact on the TCO of certain on-demand solutions. Companies that envisage appreciable levels of customisation or integration should carefully examine product capabilities in this area. They should determine if their requirements will be cost effectively addressed by an on-demand solution, or if on-premise is a more viable alternative.

You should also be mindful of charges for incremental service additions. These include charges for additional storage or carrying out routine tasks such as backups. It is also important to consider functional requirements beyond the short term and understand clearly what is (a) provided, (b) not provided or (c) an additional cost option, under the potential provider's service contract. Beyond this, the master service agreement should be reviewed in full; with the benefit of external legal advice if necessary. Some on-demand CRM vendors require a multi-year commitment with payment in advance. Termination fees, uncapped renewal price hikes and lock-in mechanisms may also form part of the contract agreement.

You should have a clear understanding as to how quickly and effectively your data can be re-located from the CRM vendor's data centre in the future. There are a variety of scenarios where this requirement may arise, examples include: (a) you may wish to move your data to another on-demand CRM provider, (b) you may wish to bring your customer data in-house and use an on-premise CRM solution, (c) there could be a breakdown of commercial relationship between your company and the CRM solution provider or (d) the CRM vendor may cease trading. You should have a clear understanding, in contractual and process terms, of how customer data can be moved from the CRM vendor's data centre in the event of any of these scenarios arising.

### **RECOMMENDATION**

You should carry out a detailed analysis of all foreseeable costs over a three year timeframe. This analysis should encompass; (1) anticipated off-the-shelf functional requirements, (2) anticipated scalability requirements, (3) anticipated customised functional requirements and (4) anticipated integration requirements. Regardless of

---

<sup>3</sup> Source: Ed Thompson, senior analyst, Gartner

whether on-demand or on-premise is selected, you should factor in a realistic cost for consulting and system administration activities to be carried out on the system over the course of its lifecycle.

It should not be assumed that on-demand will always provide a lower TCO than on-premise. Equally, it should not be assumed that on-demand CRM services with similar subscription charges offer the same functionality. You should evaluate on-demand and on-premise from a medium-to-long term perspective with good planning and strategy behind the investment. If only seen as a short term, quick win, then long term costs will increase and the true value not delivered. Where customisation and integration will be required, you should select a solution, such as Sage CRM, that provides codeless customisation capabilities as well as standards-based web services APIs for integration with 3<sup>rd</sup> party solutions and a selection of out-of-the-box integrations with market-leading ERP applications.

You should fully understand the terms of any potential on-demand service contract. You should be particularly mindful of termination fees, uncapped renewal price hikes and lock-in clauses.

Ideally, you should select a CRM solution provider that offers the best pricing structure, based on an all-inclusive feature set, along with the flexibility to move between deployment types where required. The flexibility to move between deployment types is particularly beneficial in a scenario where a company initially deploys an on-demand solution to benefit from a low cost model that caters for largely horizontal business process requirements, and then subsequently wishes to move to an on-premise model to more cost-effectively address company-specific requirements.

#### **WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- A low 3 year TCO for on-premise deployments
- A low, predictable monthly cost for on-demand deployments
- A low cost on-premise environment for companies with extensive customisation and integration requirements
- A simple on-demand service contract without hidden lock-in clauses and uncapped renewal price hikes with a pay-per-month option in certain regions

### **3. Speed and ease of deployment**

Whether on-demand or on-premise, CRM must be capable of being deployed quickly and easily. As such, customers should be up and running in days and weeks rather than months.

Shorter implementation timeframes equate to lower project costs. They also reduce project risk and facilitate an earlier return-on-investment in the solution lifecycle. The common perception is that on-demand is category winner in this area. While this is generally true, the adoption of web architecture by an increasing number of on-premise CRM solutions has narrowed the gap significantly.

Fully web-architected, on-premise solutions leverage similar cost and time efficiencies to on-demand solutions. Both deployment types utilise installations on a central server (externally hosted in the case of on-demand) with full access to the CRM application provided through a standard web-browser; removing the need for

any additional software installation on the client device. This means that the solution can be administered entirely from a central location, reducing support burden and cost, as well as eliminating the need to invest in expensive and maintenance-intensive technologies, such as Citrix or Microsoft Terminal Server, to facilitate remote connectivity.

Both on-demand and web-architected on-premise CRM solutions are particularly suited to companies with mobile employees or multiple offices over a broad geography. They also benefit organisations with a large number of employees where, regardless of the number of location or access scenario, typical client/server deployments can be difficult and expensive to maintain across every user desktop.

### **RECOMMENDATION**

You should give careful consideration to a broad variety of factors that may impact upon roll-out complexity and cost. These include: (a) geographic distribution of offices, (b) workforce mobility requirements and (c) number of users. On-demand provides a distinct advantage over traditional client/server systems in terms of roll-out speed and manageability. On-demand is particularly suited to companies with little or no IT resource as roll-out is focussed on data migration and system configuration rather than the installation of new software.

Companies looking to roll out their new CRM system quickly and effectively should also consider on-premise solutions which are web architected. Web architected on-premise solutions, such as Sage CRM, are particularly suited to companies that do not wish to host their customer data externally or have complex integration or customisation requirements, but also want to benefit from the same ease of deployment and on-going administration that on-demand provides.

### **WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- 100% web architecture that ensures the solution can be deployed quickly and cost-effectively on-demand or on-premise, and over multiple locations where required
- A fully web-architected on-premise solution that combines ease-of-deployment with significant customisation and integration capabilities

#### **Customer Focus - Louisiana Department of Economic Development (LED)**

LED identified a need to transition from GoldMine to a more robust CRM system in early 2005, citing more flexible data and remote access capabilities as key criteria. During the selection process, Hurricane Katrina hit Louisiana resulting in an influx of emergency relief requests. LED needed its new CRM system quickly and worked with a Sage CRM Solutions Business Partner to implement Sage CRM on-premise for 90 staff members in three days.

## **4. Ease of ongoing support and administration**

On-going administration represents a significant resource burden for companies deploying an on-premise CRM solution for the first time; particularly in the case of SMBs which generally operate with limited IT resources. On-demand represents an attractive proposition for these companies. While software and hardware infrastructure may be invisible to on-demand users, there are a number of important

support and administration considerations that should be taken into account nevertheless.

Regardless of whether a CRM solution is deployed on-demand or on-premise, you should ensure that your users can access the application when they need to, and that it can handle their workload without experiencing performance issues. Moreover, when an issue arises, there should be a clearly defined support structure in place which provides issue resolution on a timely basis. While on-premise CRM applications rely on internal IT structures in the first instance and external resource for escalations, companies utilising on-demand CRM are entirely reliant on external resource for support queries. Therefore, companies considering on-demand CRM solutions should carry out a detailed review of the vendor's support services and clearly understand service level obligations across: (1) scheduled availability, (2) case response times and (3) application upgrade roll-outs. Customer reference calls should be used in the evaluation of any potential service provider's support provision.

Equally, companies considering an on-premise solution should ensure that there is a realistic understanding of the additional support burden associated with the roll-out of the new application. You may consider the use of a business-partner-delivered support contract to address any shortfalls in internal service provision. Additionally, fully web-architected on-premise or on-demand CRM solutions provide a distinct advantage over traditional client/server-based systems. Web architected solutions minimise, or totally remove, the administration that is required at the client end and facilitate upgrades, patch updates and new user provisioning from a central point.

On-going administration requirements should also be evaluated, regardless of whether an application is deployed on-premise or on-demand. Day-to-day activities such as provisioning new users, importing data, writing reports or carrying out upgrades, can equate to a significant increase in IT workload over the lifetime of the application. It is therefore important to select a CRM application that supports self-service administration through tools that are easy to use.

## **RECOMMENDATION**

As with ease of deployment, on-demand is perceived to be the category winner for ease-of-ongoing support and administration. On-premise however may provide a more effective solution where the additional support requirements can be integrated easily into your existing internal service level agreements. You should always evaluate the support capabilities of any potential 3<sup>rd</sup> party provider thoroughly; with reference checks where necessary.

Fully web architected CRM solutions, such as Sage CRM, significantly reduce the administrative burden associated with on-premise solutions. Equally, self-service administrative tools and easy-to-use wizards also help to reduce the time and cost associated with support and administration for both on-premise and on-demand solutions.

## **WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- Self-service, codeless administration tools and easy-to-use wizards for both on-demand and on-premise deployments that reduces or removes the need for dedicated IT resource

**Customer Focus - Alliance & Leicester**

Alliance and Leicester selected and deployed Sage CRM because of its ability to automate core business processes across the organisation. Sage CRM also provided configuration tools that allowed it to rapidly modify all aspects of the system.

According to Alliance & Leicester, Sage CRM's web-based architecture greatly reduced deployment and maintenance costs as it could deploy on a single server and then simply provide access through a standard web browser for all users. In addition, most of the configuration could be carried out using Sage CRM's intuitive and point and click configuration tools.

**5. Front-to-Back-Office integration**

While one of the main objectives of a new CRM project should be to unify customer information across a company's front-facing activities; sales, marketing and customer service, this does not necessarily guarantee the full 360 degree customer view that a company may aspire to. To realise a truly comprehensive customer view, you may consider integrating your CRM system with your back-office environment.

Front-to-back-office integration enables front-office users to access the financial and transactional data associated with their customers (data not normally generated by or stored within a CRM system) without the need to leave their CRM application. Such data may include invoice history, sales history, payment history or other important back-office related customer information.

Front-to-back office integration also provides for significant time and cost savings through process automation; reducing, or removing the need to re-key and re-verify information as it passes from one system to the next. Examples of these "straight through" processes include: (a) generating a quotation in CRM based on pricing contained in the ERP application or (b) populating an order directly into the back office system through CRM workflow.

Integration capabilities, therefore, should be an integral part of any CRM evaluation, particularly when deciding between on-demand and on-premise deployment models.

On-premise has traditionally been viewed as the category winner in this area while on-demand CRM, by contrast, has been more typically seen as a stand-alone solution owing to its relatively limited integration capabilities. However, this situation is changing as an increasing number of on-demand CRM providers are making it easier for their services to be integrated with other business applications, regardless of whether they are located inside or outside the company firewall.

The incorporation of Web Service APIs by on-demand CRM solutions has been a key facilitator of this change. Web Services APIs provide a standards-based, flexible and cost-effective approach to enterprise application integration. The increased availability of Web Services APIs within on-demand solutions has meant that they now represent a viable option for companies with basic to intermediate integration requirements.

Additionally, companies using a packaged ERP solution should examine CRM solutions that provide out-of-the-box integration with their particular back-office environment. Integration-ready solutions can particularly appropriate for companies



that want to get their back-office integration up and running quickly and cost-effectively.

### RECOMMENDATION

Front-to-back-office integration provides a more complete customer view by combining financial and non-financial information, as well as facilitating straight-through processing.

The front-to-back-office integration capabilities of any potential solution, whether on-demand or on-premise, should be examined as part of any CRM evaluation process. In particular, you should: (1) understand the business benefits of front-to-back-office integration, (2) define, in broad terms, the level and extent of your integration needs, and (3) select a CRM solution, such as Sage CRM, that addresses these integration requirements cost effectively through the use of standards-based technologies or pre-packaged integration. Web Services APIs are a 'must have' for companies that require integration with an on-demand CRM solution.

While on-demand deployment may be increasingly viable for companies with basic to intermediate integration requirements, companies with more complex requirements may be better served by selecting an on-premise solution. It is also worth noting that where a vendor provides both on-demand and on-premise CRM using the same Web Services APIs, such as Sage CRM, you can potentially change deployment types while still retaining the same back-office integration.

### WHAT DOES SAGE CRM PROVIDE IN THIS AREA?

- Standards-based Web Services APIs that enable quick and cost-effective integration capabilities between Sage CRM on-demand/on-premise with 3rd party applications and back-office environments
- Out-of-the-box integration between Sage CRM on-demand/on-premise and Sage's market leading ERP packages

#### **Customer Focus - Metrohm-Peak**

Metrohm-Peak required a streamlined system for company-wide communications and global business processes. It needed a solution that could integrate ERP and CRM, provide remote workers easy access to the system and integrate easily into their Microsoft Windows, SQL Server, and Office environments.

The company selected Sage CRM and Sage Accpac ERP to run on a Microsoft SQL server and provide a Web-based, integrated solution for enhanced marketing, sales, service, and accounting.

Seamless integration between Sage software and Microsoft solutions has enabled the company to centralise their disconnected information, address inventory issues, and automate manual processes. The intuitive Sage CRM system empowers all departments to take a proactive approach to service and sales through a single view of the customer—allowing them to create and maintain the relationships critical for customer retention.

Prior to installing Sage Accpac ERP and Sage Accpac CRM, the sales group could only gather extremely limited data on customers in the field. Attempts to synchronize data centrally so that others could benefit from customer information often failed,

causing sales staff to maintain separate databases disconnected from the rest of the company. Forecasting, commissions, and reporting were time consuming and inaccurate manual processes. The inability of the existing system to address inventory issues, such as multi-currency, serialized inventory, warranty, and RMA-tracking made manual adjustments a common and expensive reality.

As a result of integrated Sage ERP and CRM, the company has increased sales productivity, given remote users access to synchronised data, and supported multilingual and multi-currency accounting transactions.

## **6. Customisation**

The success of any CRM project is dependent on user adoption. Therefore, providing a user experience that is both intuitive and closely mapped to company-specific business processes is a key requirement. Whether at the point of initial roll-out or later in the solution lifecycle, you should be mindful of customisation needs when selecting a new CRM solution.

Where you require primarily generic business process automation, you should be adequately served by either on-premise or on-demand solutions. Both deployment types generally facilitate customisation on existing screens, tabs and entities, along with the ability to orchestrate workflow, however, on-demand becomes less viable where additional custom screens, tabs and entities need to be created from scratch. On-premise, therefore, may present a better alternative for companies that are planning for a highly customised CRM investment.

The availability of codeless customisation is an also key consideration in this area, particularly in the case of SMBs where development resource may be limited or non-existent. On-demand CRM solutions generally provide customisation facilities on a codeless basis for online security compliance reasons (precluding customisation at a code level). The same online security considerations don't apply in the case of on-premise deployment. As a consequence, while on-premise CRM may provide greater customisation capabilities overall, the extent to which they are delivered on a codeless basis may be more limited than on-demand. Companies selecting an on-premise solution, therefore, should carefully investigate what customisation can be carried out on a codeless basis, and what customisation will require development expertise.

### **RECOMMENDATION**

You should understand to what extent your CRM requirements can be addressed through out-of-the box product capabilities and which requirements can only be addressed through customisation. On-demand will generally suffice where the customisation requirements are limited to changes on current screens, tabs or entities. On-premise will generally provide a better option where new screens, tabs or entities need to be created from scratch. The ability to carry out the majority of customisation on a codeless basis, as is the case with Sage CRM; is a significant advantage as it will minimise the requirement for development resource over the lifetime of the system.

### **WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- Basic to intermediate customisation capabilities for on-demand users

- Advanced customisation capabilities for on-premise users
- Extensive codeless customisation across on-demand and on-premise solutions

**Customer Spotlight - PaperHost**

PaperHost, a provider of web-based document management products and services, uses Sage CRM on-premise to support sales employee collaboration and increase customer satisfaction levels. Centralised customer data and automated business processes are now helping PaperHost drive its organic growth strategy. PaperHost selected Sage CRM because it was a fully web architected solution, that also provided for customisations unique to the industry. No other web-based product that PaperHost examined could provide this flexibility. Sage CRM is a great fit because it also offers customisation at the user level so employees can adapt the system to their preferences.

**7. Full suite CRM**

While CRM deployments may concentrate on sales force automation initially, companies are increasingly looking to leverage the benefits of an integrated front-office environment that also encompasses marketing and customer service.

The functional breadth and depth of CRM solutions varies significantly from vendor to vendor, therefore, it is important that you clearly define your functional requirements up front and identify which solutions are going to provide you with the best fit over the lifetime of your installation.

Solution maturity is an important consideration in this area. CRM market entrants focus largely, or exclusively, on sales force automation initially. As a consequence, they are more likely to be weak around marketing and customer service; resulting in a limited feature set overall. This is particularly evident in the on-demand CRM market which is characterised by a large number of recent entrants operating exclusively on an on-demand basis. Typically, these providers are reliant on 3<sup>rd</sup> party vendors to address key functional gaps within their solutions. Today, the most functionally complete on-demand CRM vendors are providers that have migrated significant on-premise expertise over to an on-demand environment while maintaining a functionally complete feature set.

**RECOMMENDATION**

You should not limit your CRM functional evaluation exclusively to sales force automation. The most effective CRM deployments also encompass marketing and customer service automation, therefore, regardless of whether all three areas are rolled out at initial deployment or sometime later, you should determine which solution best addresses your requirements across the complete feature set.

There are significant differences between solutions when functionality is evaluated across their entire feature set. Less mature products are typically weaker across marketing and customer service automation. For this reason, pure play on-demand CRM providers will not score well in these two areas. If on-demand is the preferred deployment type then companies are likely to be best served by a mature on-premise provider, such as Sage CRM, who provides the same feature set through an on-demand deployment.

## WHAT DOES SAGE CRM PROVIDE IN THIS AREA?

- Full suite CRM for on-demand users; not just on-premise users

### **8. Mobility**

Today, companies expect CRM to be available to customer-facing staff regardless of their location or access scenario. This is an area where traditional on-premise, client/server CRM has struggled to keep pace. In order to 'webify' their applications, these vendors have relied on costly 3<sup>rd</sup> party thin client technologies or, in some cases, developed mobile add-ons to deliver a small subset of functionality over the web. Neither of these workarounds is satisfactory and companies with mobile workforces are turning increasingly to on-demand CRM as a result.

On-demand provides a compelling proposition for companies with mobility requirements; however, there are two further considerations to be taken into account.

Firstly, you should ensure that any prospective on-demand CRM solution caters for disconnected access scenarios; situations where an internet connection is not available. The on-demand solution should provide your users with an easy to use, wizard-based mechanism to take their data offline and then synchronise updates when re-connected. Additionally, the solution should provide the same interface and functionality for both offline and online access scenarios. This ensures a consistent and productive user experience at all times. Offline capabilities vary from vendor to vendor and should be examined as part of any evaluation where offline remote access is a requirement.

Secondly, where mobile workforces use PDA devices or smart phones, you should examine performance across those particular device types. Again, mobile device capabilities vary significantly across on-demand CRM vendors; therefore, you may be best served by selecting a solution that has a specifically optimised option for mobile device access.

Finally, it is worth noting that the same advantages and considerations detailed above in relation to on-demand also apply in the case of on-premise CRM solutions that are fully web architected. As we have seen in the section covering speed and ease of deployment, fully web architected on-premise solutions provide the capability to distribute the CRM application from a central server to users over a broad geography using a standard web browser.

### **RECOMMENDATION**

Traditional client/server based CRM solutions should be avoided for companies that require mobile access for their workforce. On-demand CRM provides obvious benefits in this area; however, you should be mindful of offline and PDA/smart phone access requirements and ensure that they are properly addressed by the potential solution vendor. Ideally, the offline and online access scenarios should be identical save for the fact that updates are logged locally rather than on the server, and an optimised mobile client should be provided for PDA/smart phone users. Solutions that automatically detect the user's access scenario and provide the appropriate client (online, offline or mobile device), such as Sage CRM, offer significant benefits for users that need to access their CRM system on multiple devices and at multiple locations on a regular basis.

Fully web-architected on-premise solutions provide an equally viable proposition for companies with mobile workforce requirements.

**WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- Full web architecture for both on-demand and on-premise users
- Full offline capabilities for on-demand and on-premise users
- A user experience specifically optimised for mobile devices such as smart phones and PDAs

**9. On-the-ground support**

Regardless of the level of internal IT resource within your company, the availability of local, on-the-ground expertise from your CRM vendor, or certified partner, is reassuring, particularly when you are investing in CRM for the first time. Multi-lingual support may also be a factor for companies with multiple offices across several locations. Local expertise can be used to (1) resolve support issues, (2) train new users or (3) provide consulting services around the further extension and optimisation of your CRM system.

Where on-premise CRM solutions have traditionally been supplied and supported through local vendor offices and partner networks, on-demand providers have adopted a more centralised model of service distribution and support provision. This has meant that they generally do not have the same level of expertise available regionally as their on-premise counterparts. A number of pure play on-demand providers are now actively recruiting local support partners to address this issue. It is unlikely however, that they will achieve the same level of coverage and depth of product knowledge as traditional channel-centric organisations in the foreseeable future.

**RECOMMENDATION**

Irrespective of whether your preference is for on-demand or on-premise deployment, you should examine the local consulting and support expertise available from your potential CRM vendor or its certified partner network. It is likely that pure play on-demand CRM solutions will not be able to match the local presence and expertise of on-premise providers, therefore, if on-demand is your preference, you may be best served by a provider that also supplies an on-premise solution.

**WHAT DOES SAGE CRM PROVIDE IN THIS AREA?**

- A global network of Sage offices and business partners to provide local, on-the-ground support for on-demand and on-premise CRM users

**10. Deployment choice**

Both on-demand and on-premise deployments have their own particular benefits and drawbacks. Some manifest themselves in the near-term while others come into play at a later stage in the solution lifecycle.

While this whitepaper has discussed the broad spectrum of business and technology considerations that impact on deployment choice, a company cannot realistically be expected to make a definitive deployment decision upfront given the wide variety of future variables, therefore partnering with a CRM vendor that provides deployment choice; both at initial roll-out and downstream in the solution lifecycle, represents the optimal decision.

## RECOMMENDATION

You should select a CRM vendor, such as Sage CRM, that can roll-out your new solution on-demand or on-premise as well as making it as easy as possible for you to move from one deployment type to the other at a later stage with minimum cost and complexity.

### Customer Spotlight – Tilney

Tilney is one of the UK's leading wealth management providers and when it decided to look at CRM, it turned to Sage. Working with a partner it tested the on-demand version of sage CRM (sageCRM.com) and after a successful trial selected Sage. During the process it recognised that while gaining value from the hosted model it wanted the software on-premise so it could customise the solution further to meet some new market regulations. Moreover, because of the web-based nature of the software, users saw no difference in the set-up of the system, but the business was able to adapt the application as it required.

## Conclusion

Deployment type is an important choice, but should be made in the context of a broader variety of considerations. Companies should take a medium-to-long term perspective when selecting a new CRM solution and ensure that their requirements will be met across a variety of criteria including: functionality, cost, ease-of-maintenance, ability to customise, ability to integrate and ability to empower users. Above all, deployment flexibility is essential in ensuring that your CRM solution continues to meet your business objectives into the future.

## About Sage CRM

Sage CRM is an easy to use, 100% web-architected CRM solution with out-of-the-box but customizable business process automation. It can be easily deployed and maintained on-premise or on-demand, delivering freedom of choice and rapid return-on-investment for your organisation. Sage CRM's customization capabilities, unified data architecture and .NET web services interface provide the inherent flexibility for your organization to adapt the solution to changing business requirements easily and cost-effectively.

Sage CRM unifies all aspects of customer interaction, regardless of customer-facing function (sales, marketing or customer service) or channel (branch, call centre, online, field-based), to support deeper customer insight, improve relationship lifecycle management and enhance service delivery.

Sage CRM is provided against a backdrop of over 5.4 million SMB deployments of Sage business applications globally, and has been specifically designed to address the customer process requirements of fast-growing small and mid-sized companies.

## Further information

Further information on Sage CRM and SageCRM.com can be obtained by contacting your local Sage office or certified Sage Business Partner.

**[www.sage.com](http://www.sage.com)**