

A young Black woman with her hair in braids, wearing glasses and a dark blue collared shirt, is smiling warmly. She is holding a blue folder filled with papers. The background is a simple, brightly lit office space.

sage

*The essential guide
to improving customer
experience with
integrated CRM-ERP*

Smarten up your customer experience
with integrated software

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Executive summary

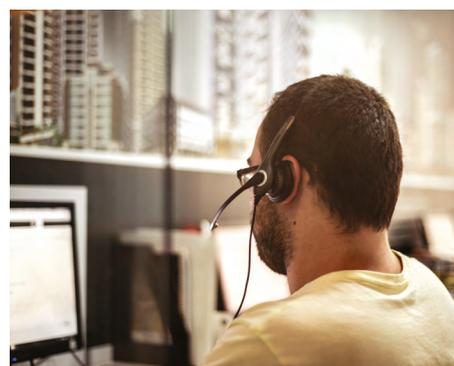
In a world where it's getting harder to stand out from the crowd on product alone, the importance of differentiated customer experiences continues to increase.

This can clearly be seen by the fact that 89% of companies expect to compete mostly on the basis of customer experience in 2016, versus 36% just five years ago¹.

One way you can improve customer experience is by integrating the applications you use for front and back-office operations. This allows access to accurate and comprehensive information that delivers a full customer view from all areas of the organisation.

Integrating the front and back office as effectively as possible is a major step in ensuring your customers receive the help and attention they demand. This whitepaper describes why CRM-ERP integration is vital and how it drives an improved customer experience by:

- Empowering your employees to give the right information at the right time
- Delivering better service through streamlined business processes
- Knowing your target audience and reaching them on time
- Increasing profitability via customer retention



Chapter 1: Why customer experience is the new battlefield

Growing competition and consumer power have swept aside traditional product-based advantages, forcing organisations to shift to a new battlefield: the customer experience.

Technological innovations and the power of social media have transformed the way consumers interact with brands and vice versa. The lines between how organisations handle B2B and B2C relationships have blurred with customer experience becoming ever more important.

93% of business leaders worldwide said technology had changed customer expectations in the past five to 10 years².

Big investments have been made over the past few years in empowering customers with more ways to engage, provide feedback and share their experiences. During this process, while the methods of interaction have changed (and increased), the means, by and large have remained the same. Most companies and their employees are trying to engage the empowered customer with the same siloed technologies and stagnant knowledge repositories they've used for years.

44% of the time employees can't find the answer or information they're looking for, and 61% currently have to access four or more systems when looking, resulting in frustration and dissatisfaction all around³.

In order to provide superior customer satisfaction, your front-end software needs to be in perfect sync with your back-end operations. Simply put, your customer-facing sales, marketing and service teams need to be able to access back-end information from your financial, project management and inventory management teams. Bringing it all together with the help of technology is key to helping you to survive in a consumer-driven environment.

"In order to provide superior customer satisfaction, your front-end software needs to be in perfect sync with your back-end operations."

Chapter 2: CRM and ERP: Why they're better together

CRM is a front-office system that centralises all information about external marketing, manages the sales pipeline, automates customer service, tracks information about customers, as well as creates dashboards and reports on this data.

ERP systems automate and manage back-office business activities such as accounting, purchasing, collections, human resources, payroll, manufacturing, distribution and more.

Customers' expectations keep changing based on their needs and requirements. With the help of an integrated CRM-ERP solution, you can meet those varying expectations and provide your customers with a great digital experience.

Traditionally, it's been difficult to integrate CRM and ERP systems because of the vastly different architectures and the lack of standards for exchanging data between the systems. Older, tailor-made integration methods can be costly, complex, and risky. Even when a company does integrate these systems, future CRM or ERP upgrades can easily render the integration inoperable. As a result, many companies operate CRM and ERP as standalone systems.

However, running your business with isolated business software systems has a major drawback – it creates barriers to data sharing, leading to business inefficiencies and ultimately lower customer satisfaction due to:

- **Poor visibility into order status**

Because information is stored in two systems, no single point of reference or single version of the truth exists for information about your customers' interactions with the organisation. This increases the likelihood of errors that can be time-consuming to correct. For example, a customer might have placed an order, expecting a 48-hour delivery, but the delay in data exchange between your systems can result in purchased items lying in your warehouse when they should be out the door and on their way to your customer.

- **No single point of customer information**

If your employees want a complete view of a customer's interactions with the company, they must turn to two entirely different systems – CRM and ERP – to answer customer questions about, for example, stock availability, service issues or order status. With no real-time visibility into the customer transactions, your employees may not be able to answer your customer's queries satisfactorily, losing out on developing a longer, more profitable relationship.

- **No control over forecasting customer behaviour**

Because no single version of the truth exists, it's difficult to pull together information from across the organisation to use in forecasting customer behaviour. This becomes even more difficult if you offer online transactions. The inability to access and gather details about online orders, payments and service provided can lead to the wrong data being accumulated and inaccurate forecasting of trends and behaviour.

- **Inability to target customers effectively**

In order to perform targeted marketing, you need information about your customers, the products they've purchased in the past, the amounts they've spent, and so on. When information is spread across different applications, it's very difficult to execute and it can be extremely time-consuming if you have to use manual processes to obtain the necessary information.

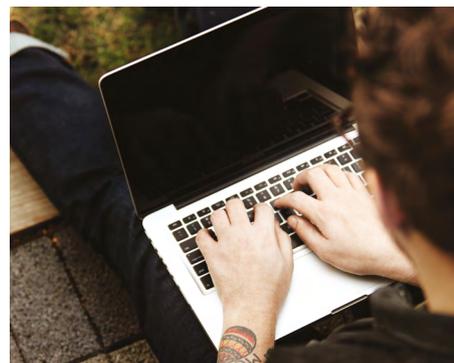
Chapter 3: Integrating CRM and ERP 'out of the box'

Solutions are now available that integrate CRM and ERP systems 'out of the box'. These integrated solutions eliminate the need to perform complex, time-consuming and costly tailor-made integrations—and the challenges of upgrading systems integrated in this manner.

Using integrated CRM-ERP solutions, you can gain access to comprehensive and consistent customer data. This information will enable your employees to have a 360-degree view of customers and their purchase history from within a single application, regardless of where the data is generated or stored.

It will help them get the much-needed flexibility to keep pace with customer demands by giving insight into orders, products and financials.

Research shows that for every 20% improvement in data quality and efficiency, there is a 9% improvement in customer service quality and responsiveness.



Chapter 4: Four ways CRM-ERP integration improves customer experience

1. By empowering your employees to give the right information at the right time

Customers don't like to be passed around, looking for information about their order availability, pending delivery or service issues. With an integrated solution, your employees will be able to access customer information when and where they need it, from a single data source.

This will ensure that your staff are able to answer customer queries instantly, as well as provide a personalised experience, based on the customer's interaction and history with the company.

2. By delivering better service through streamlined business processes

An outstanding customer experience is the responsibility of the whole company, and each department contributes an integral piece to its success. Your customer doesn't really care who provided the experience or which department catered to their needs. All they want is to be able to have an effective and meaningful interaction to get a satisfactory service. When systems are integrated, it gives your employees a holistic customer view, helping them convert a user into a customer for life.

3. Knowing your target audience and reaching them on time

An integrated solution delivers a complete view of customers to all employees, allowing them to answer questions promptly and accurately. It gives account managers complete access to a customer's purchase history, the status of an order, and much more. Sales reps can book orders correctly the first time, every time because they have access to the account, customer-specific pricing, and stock information they need to do their jobs effectively. Marketers have complete customer information to create highly targeted marketing campaigns and drive cross-sell or up-sell opportunities.

Managers and executives also have the ability to easily report on information about prospects for use in forecasting or to perform sales and other business reporting. In addition, because your employees can access back-office information from the front-office application, they don't need to learn a second application so less time is spent training.

4. By increasing profitability via customer retention

The old saying that "It's cheaper to keep a customer than it is to get a new one" couldn't be truer in the digital age. With the popularity of social media, customers have become the present day marketers, with most of them discussing brands, business and service with others through various social media channels. A satisfactory customer experience not only helps in acquiring more customers, it plays a vital role in keeping your existing ones too.

When you have the right information (all your data), along with the right tools (CRM and ERP) in the right place (with your employees), you can leverage customer information to drive better customer retention, lower operating costs, increased sales and faster growth.

Chapter 5: Put your customer at the heart of your business

By turning to technology you can improve the quality of your customers' experiences. By integrating your CRM and ERP solutions, you can facilitate the sharing of accurate and timely customer data throughout the organisation and automate your end-to-end business processes.

By using an 'out of the box' integration, you can eliminate the need for complex, costly integrations and simplify future upgrades. Using integrated CRM-ERP solutions dramatically improves productivity by reducing duplication of data entry tasks, empowering your employees with the right information at the right time, streamlining business processes through automated workflows, and improving organisational task management.

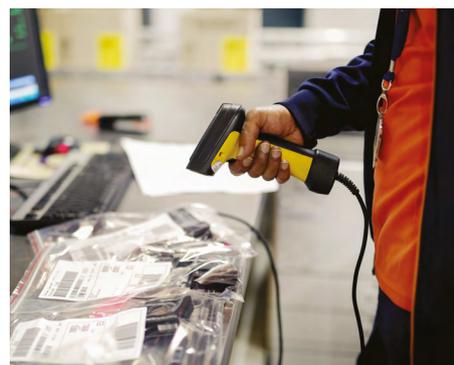
A proper integration can lead the way in helping your business rise from being just another company to being the one that customers recognise for its ability to provide an experience of a lifetime!



About Sage 200 Extra

Sage 200 Extra is a business management solution that helps Small and Medium-sized Enterprises get full visibility of information across their entire business. It manages finances, stock and business insight in one solution, allowing you to control all your business processes within one integrated solution. The flexibility of Sage 200 Extra means it's ideal for companies with a turnover of £1million to £50million, across all business sectors and delivers scope to grow. It offers a fully integrated CRM module that can help you to manage your customer relationships, and enables you to deliver the highest quality customer experience. You can also choose from a range of other modules and features, including Manufacturing and Project Accounting to build a fully customised solution for your business. With a choice of online or installed on premise software, there's even more flexibility about how you use, roll out and pay for your software.

Find out more: www.sage.co.uk/sage200extra





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