For: Application Development & Delivery Professionals

The Forrester Wave™: CRM Suites For Midsize Organizations, Q1 2015

by Kate Leggett, March 25, 2015 | Updated: June 1, 2015

KEY TAKEAWAYS

CRM Provides The Cornerstone Of A Great Customer Experience

The only source of competitive advantage is an obsession with understanding, delighting, connecting with, and serving customers. CRM is crucial to this success, but can only be successful if the foundations for sales, marketing, and service processes and technology are solid.

The CRM Vendor Landscape Is Bloated, So Understand Core Focus Areas

The landscape of CRM solutions has matured and converged as a result of merger and acquisition activities. These vendors offer solutions replete with features and functions. Every vendor can just about tick every box. CRM leaders must understand the core focus areas and value proposition of each vendor to make the right buying choices.

Different Leaders Have Specific Strengths

Salesforce and Microsoft battle due to their breadth of capabilities and mature business practices. Yet, change in this space will continue as vendors fill in gaps with acquisitions or redefine their CRM portfolios.

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Salesforce And Microsoft Lead A Mature Field Of Vendors

by Kate Leggett
with Stephen Powers, Fraser Tibbetts, and Arelai Ephraim

WHY READ THIS REPORT

In this Forrester Wave evaluation of customer relationship management (CRM) suites for midsize organizations, we identified the 10 most significant CRM suites solutions — Aptean Pivotal CRM, bpm’online, Infor CRM (formerly known as SalesLogix), Maximizer CRM, Microsoft Dynamics CRM, NetSuite, Sage CRM, Salesforce, SAP Cloud for Customer, and SugarCRM — and researched, analyzed, and scored them. This report details our findings on how well each vensdor fulfills our criteria and where it stands in relation to other vendor solutions in order to help application development and delivery (AD&D) professionals supporting CRM operations to select the right partner for their customer engagement initiatives.

Table Of Contents

Notes & Resources

Forrester conducted vendor survey evaluations in November 2014 and evaluated 10 CRM solutions worthy of consideration by large organizations. We also surveyed vendor customers.

Related Research Documents

Navigate The Future Of CRM In 2015
January 22, 2015

Transform Customer Processes And Systems To Improve Experiences
January 13, 2014

TechRadar™ For AD&D Pros: The Extended CRM Technology Ecosystem, Q1 2013
January 29, 2013

MODERN CRM SUPPORTS CUSTOMERS IN THEIR END-TO-END JOURNEYS

Forrester defines customer relationship management (CRM) as:

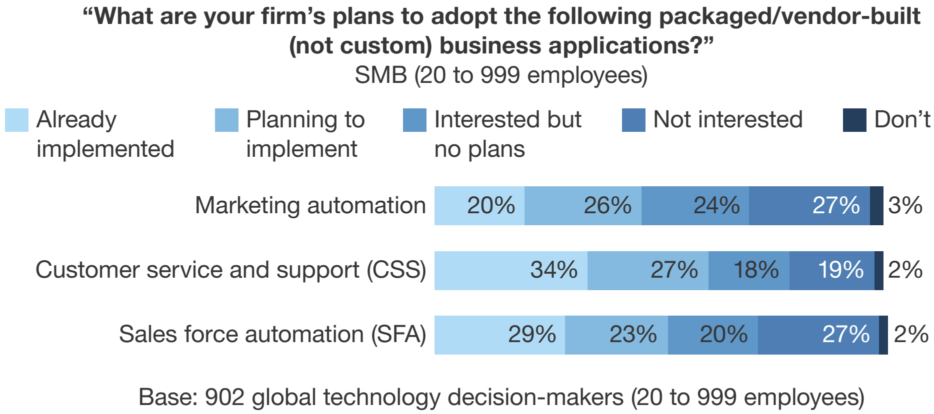
> *The business processes and supporting technologies that support the key activities of targeting, acquiring, retaining, understanding, and collaborating with customers.*

Companies leverage CRM to provide operational efficiencies for sales, marketing, and customer service organizations when interacting with customers — an “inside-out” approach. Users leverage CRM to aggregate and analyze opportunity and customer data, as well as automate workflows to optimize customer engagement processes. To quantify CRM’s return on investment, companies examine operational metrics such as reduced marketing costs, increased revenues from salespeople, decreased sale cycle times, better pipeline visibility, decreased service resolution times, and more.

As a result, interest in deploying CRM technologies continues. Our data shows that half of technology decision-makers at midsize organizations indicated that they have implemented a subset of CRM capabilities.[1] Specifically, 34% have already implemented a customer service and support (CSS) solution; 29% have implemented a sales force automation (SFA) application; and 20% have implemented marketing automation — and many are planning to upgrade their tool sets. An additional 27%, 23%, and 26% have plans to adopt a CSS, SFA, and marketing automation solution, respectively (see Figure 1).

Today, forward-thinking companies build on these internal operational efficiencies and extend the power of CRM to better support customers through their end-to-end engagement journey. This garners their satisfaction and long-term loyalty. Good customer experiences correlate to customer loyalty, and loyal customers are more willing to consider another purchase from a company, are less likely to switch business to a competitor, and are more likely to recommend. Our models estimate that the revenue impact from a 10-percentage-point improvement in a company’s performance, as measured by Forrester’s Customer Experience Index (CX Index) score, could exceed $1 billion.[2]

Figure 1 Decision-Makers' Midsize Organizations Have Implemented A Variety Of CRM Solutions



Source: Forrester's Business Technographics® Global Software Survey, 2014

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THE CRM MARKET IS ON THE CUSP OF SIGNIFICANT CHANGE

The CRM vendor space is mature. Yet there have been many changes in the last five years and change is likely to continue. Two driving factors will accelerate these changes.

Big Fish Eat Little Fish, And Each Bite Broadens The Reach Of The Big Fish

The CRM market has consolidated in the last five years. For example, Oracle, focused on providing consistent end-to-end customer experiences across touchpoints, has made numerous acquisitions to round out its customer experience portfolio.[3] SAP, like Oracle, is focused on providing consistent end-to-end customer experiences via its breadth of products and has made a few key acquisitions to round out its capabilities.[4] Salesforce made a series of moves to round out the service cloud.[5] It has used this same tactic to broaden its CRM footprint, with the notable acquisition of ExactTarget for business-to-company (B2C) marketing automation (2013).

Other acquisitions of note include Microsoft's acquisition of Netbreeze (2013) for social listening and Parature (2014), which helps Microsoft Dynamics add knowledge management and chat capabilities; Pegasystems' acquisition of Chordiant Software (2010) for process-centric CRM and Antenna Software (2013) for mobile development; and Infor's acquisition of SalesLogix (2014) from Swiftpage, which had acquired it from the Sage Group (2013).

Vendors Offering Point Solutions Go After The Enterprise Players

These large CRM vendors increasingly offer broader and deeper capabilities that bloat their footprint and increase their complexity with features that many users can't leverage. At the same time, new point solution vendors are popping up at an unprecedented rate and delivering modern interfaces and mobile-first strategies that address specific business problems such as sales performance management, lead to revenue management, and digital customer experience. You just have to look at the entry list for the yearly CRM Idol competition to get a feel for the range of these offerings. [6] Of course, these vendors have a long way to go to prove their chops in an enterprise setting.

Compounding this is the reality that most companies make technology purchasing decisions in organizational silos — a trend accentuated by the rise of software-as-a-service (SaaS) CRM. This trend may herald the end of the bloated CRM category. Forrester predicts that CRM will fragment to better support end-to-end business processes.

We will see a deeper alignment between sales and marketing CRM to support lead to revenue management processes. Customer service CRM solutions will converge with workforce optimization, queuing, and routing technologies to better support the end customer and more effectively manage agent workloads.[7] Keep an eye on this space, and choose vendors carefully as the CRM landscape is ripe for change.

MORE IS NOT BETTER IN THE CRM MARKET — SOMETIMES IT IS WORSE

Each of the leading vendors in this mature market offers a checklist of features and functions. Remember that more is not better; often, more is just more. In fact, when you don't need, or can't use, extra features, more is sometimes worse. CRM buyers must understand the market segmentation in order focus in on the right category of vendor that is the right size for their needs.

Ask What Size Organization Each Vendor Targets

Even with market consolidation, CRM solutions fall into four primary groups to choose from, although the distinctions between these categories have become less pronounced over the past three years (see Figure 2):

- **CRM suites for large organizations.** CRM vendors focused on large organizations — organizations with 1,000 or more employees — typically offer a full range of functionality supporting multiple languages and geographies. Many vendors offer deeply vertical solutions, and have pre- and post-sale company resources dedicated to their support. Vendors in this category also target midsize organizations, offering prepackaged versions of their solutions with more affordable price tags. We highlight the leading vendors in this category in the Forrester Wave evaluation of CRM suites for large organizations.[8]

- **CRM suites for midsize organizations.** Vendors primarily target these solutions at organizations or divisions of larger enterprises with 250 to 999 employees. They often have more-limited capabilities in specific areas and are simpler to use than solutions built for the enterprise market. Some vendors in this category have upgraded their solutions to be more suitable to enterprise-class buyers and are gaining acceptance in that segment as well. The leading vendors in this category are highlighted in this report.

- **CRM solutions for small organizations.** These vendors primarily target organizations with up to 250 employees. Functionality is limited compared with what full CRM suite solutions offer and typically focuses on basic contact management (including social channel interactions) and email marketing capabilities for individuals or small teams.

- **CRM specialty tools.** This category comprises vendors that offer solutions with narrow functional breadth but deep specialty capabilities — such as marketing automation and customer service — for both large and midmarket organizations. This category also includes CRM vendors that specialize in specific industries such as financial services, life sciences, telecommunications, and not-for-profit.

Figure 2 CRM Solutions Fall Into Four Distinct Categories

Examples of CRM suites for large organizations

CRM suites primarily designed for firms with 1,000 employees or more:
- Infor CRM
- Microsoft Dynamics CRM*
- NetSuite
- Oracle Siebel CRM
- Pegasystems CRM
- Salesforce*
- SAP Cloud for Customer
- SAP CRM
- SugarCRM*

Examples of CRM suites for midsize organizations

CRM suites primarily designed for firms with 250 to 999 employees:
- Aptean Pivotal CRM
- bpm'online
- Infor CRM
- Maximizer CRM
- Microsoft Dynamics CRM*
- NetSuite
- SAP Cloud for Customer
- Sage CRM
- Salesforce*
- SugarCRM*

Examples of CRM solutions for small organizations
- Capsule CRM
- GoldMine CRM
- Infusionsoft
- Nimble
- Swiftpage Act
- Zoho

Examples of CRM specialty solutions

Customer service solutions:
- Astute Solutions Customer Service Software
- eGain Software
- KANA Enterprise
- Oracle Service Cloud
- Parature Customer Service Software
- Spaces by Moxie
- Zendesk

Customer marketing automation solutions:
- Adobe Campaign
- IBM Campaign
- Infor Epiphany Marketing
- SAS Customer Intelligence Platform
- Teradata Integrated Marketing Cloud

Examples of industry specialist solutions:
- Amdocs CES Customer Relationship Management (telecommunications)
- Blackbaud (not-for-profits)
- Cegedim Group (life sciences)
- NexJ Systems (financial services)
- StayinFront (life sciences)
- Update Software AG (life sciences)
- Veeva Systems (life sciences)

*These vendors have a significant base of both enterprise and midmarket customers.

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Factor Size, Complexity, And Business Model Into Your CRM Decision

The CRM needs for a business-to-business (B2B) company are not the same as the needs for a B2C company. Likewise, the needs of a sales organization are not the same as that of a customer service organization. Carefully evaluate the CRM Forrester Wave evaluation criteria to pick a solution that is the right size for your needs. In many cases, too many features, and high-complexity features, can be overkill for midsize organizations with lightweight needs. Consider a number of capabilities to right-size for strategy (see Figure 3).

Figure 3 Right-Size Your CRM For Your Needs

Category	Consider your requirements to support
Sales force automation	• Complex sales processes, including quote to cash, renewals • Complex team and territory management processes • Predictive analytics to increase sales productivity • Mobile requirements for traveling employees
Marketing automation	• Marketing resource management needs • Complex, multistage, and recurring campaigns • Complex lead management workflows • Online and offline communication channels • Offer management, including analytics to optimize offers
Customer service	• CTI integration • Omnichannel communications • Agent guidance for scripted processes • Knowledge management for agents and customers • Feedback from customers
Field service	• Core field-service needs (dispatch, scheduling, service order management) • Spare parts management • Warranty management • Mobile support for field employees
eCommerce	• Transactional features (shopping cart, search, promotions, personalization) • Order management • Returns/exchanges
Business intelligence	• Reports and dashboards • Advanced analytics capabilities, including predictive modeling, simulations, and statistical analysis
Usability and user experience	• Consistent, role-based, intuitive user interfaces across touchpoints (Web, mobile, app, tablet) • Task-based user experiences • Easily customizable UIs

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CRM EVALUATION OVERVIEW

Forrester evaluated each vendor against 95 criteria, categorized into the following three areas:

- **Current offering.** Each vendor's position on the vertical axis of the Forrester Wave graphic indicates the strength of its current product offering. We looked at the strength of each vendor's products across a spectrum of CRM capabilities, including sales force automation, marketing automation, customer service, field service, eCommerce, business intelligence, customer data management, technology, and architecture.

- **Strategy.** A vendor's position on the horizontal axis indicates our assessment of its strategy. We assessed the strength of each vendor's product strategy and product vision. We assessed the application ownership experience, cost, and corporate strategy of each vendor.

- **Market presence.** The size of each vendor's bubble on the chart indicates its market presence. We gauged the size of each vendor's customer base and evaluated the depth of human and financial resources available to enhance its products and serve its customers.

10 Vendor Solutions Offer A Diverse Range Of Capabilities

We included 10 solutions in our assessment of CRM suites for midsize organizations, including: Aptean Pivotal CRM, bpm'online, Infor CRM (formerly known as SalesLogix), Maximizer CRM, Microsoft Dynamics CRM, NetSuite, Sage CRM, Salesforce, SAP Cloud for Customer, and SugarCRM. We did not assess solutions focused on a single industry, nor on those that specialize in a subset of CRM functionalities, such as standalone sales force automation vendors, customer service vendors, or marketing automation vendors.

Each vendor included in the Forrester Wave evaluation (see Figure 4):

- **Sells a multifunctional CRM applications suite.** Each vendor has functionality in a minimum of three of the following CRM subdisciplines and tools: marketing, sales force automation, customer service, field service, eCommerce, customer analytics, and customer data management. Products promoted primarily as best-of-breed solutions for a single functional area were not included.

- **Offers a CRM application with common services.** Vendor solutions included must have common services for data management, authentication, administration, configuration, identity, and permissions management. Suites of vendor products that comprise a CRM bundle and do not share common services are not included in this evaluation.

- **Offers a solution suitable for midsize organizations or divisions of large enterprises.** Midsize organizations and divisions of large enterprises are typically more technology-management- and budget-constrained than large enterprises. Therefore, some vendors we included offer CRM solutions that provide quicker deployments and lower total cost of ownership as well as more out-of-the-box support for midmarket businesses compared with larger organizations.

- **Provides a solution targeted to multiple industries.** Evaluated vendors target buyers across a diverse range of industries and business models.

- **Has a product now in general release and in use by customers.** The solutions we included have a specific release that was generally available at the time of data collection for this evaluation with references available for contact.

We did not evaluate Oracle CX Cloud in this report because it is comprised of a diverse set of acquired point solutions that were built on different platforms, and only offer common user experiences and common services across some of their products.

Figure 4 Evaluated Vendors: Product Information And Selection Criteria

Vendor	Product evaluated	Product version evaluated	Version release date
Aptean	Aptean Pivotal CRM	6.0.14	July, 2014
bpm'online	bpm'online	7.4	September 10, 2014
Infor	Infor CRM	8.1.05	January, 2015
Maximizer Software	Maximizer CRM 12	Summer 2013	July 5, 2014
Microsoft	Microsoft Dynamics CRM	Microsoft Dynamics CRM 2013	June, 2014
NetSuite	NetSuite	14.2	August, 2014
Sage	Sage CRM	7.3	January, 2015
Salesforce	Sales Cloud, Service Cloud	Winter '15	August 21, 2014
SAP	SAP Cloud for Customer	SAP Cloud for Customer	August, 2014
SugarCRM	Sugar Professional, Enterprise, Ultimate	7.5	November, 2014

Vendor selection criteria
Offers multifunctional CRM applications suite
Offers a CRM application with common services
Offers a solution suitable for midsize organizations or divisions of large enterprises
Provides a solution targeted to multiple industries
Has a product now in general release and in use by customers

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THE RESULTS: SALESFORCE AND MICROSOFT DOMINATE

The evaluation uncovered a market in which (see Figure 5):

- **Salesforce and Microsoft battle for dominance.** Salesforce and Microsoft have distinct and compelling visions for CRM. Salesforce focuses on the connected and increasingly social customer who controls the relationship that they have with companies. Microsoft empowers businesses to connect employees, suppliers, and customers to deliver customer experiences leveraging collaboration and real-time insights. The depth and breadth of both companies' deployments in the marketplace — from very small to very large — reflect the maturity of the CRM capabilities and company resources to support their customer bases.

- **SaaS CRM is here to stay.** Business teams increasingly make CRM purchases, with technology management in a supporting role, which is increasing the appetite SaaS CRM solutions. Forrester data shows that a third of companies are using SaaS CRM, and another third complement their existing solutions with SaaS.[9] Every vendor in this wave evaluation now offers a SaaS solution. Infor CRM, Maximizer, Sage, and Sugar CRM have retooled their on-premises products for the cloud, although the available SaaS functionality is not always on par with their on-premises options. SAP also now offers a robust SaaS solution, SAP for Customer.

- **"Out-of-the-box" front- and back-office integration become increasingly important.** Midsize organizations, with sparse technology management expertise, often leverage pre-integrated front- and back-office solutions from a single vendor. To this effect, NetSuite specifically targets midsize organizations and offers strong data integration with an all-in-one SaaS business application that spans the front- and back-office functions of CRM, enterprise resource planning (ERP), eCommerce, and financials. Infor, with their recent purchase of SalesLogix CRM, focuses on integration with Infor's ERP solutions — a tactic also pursed by Aptean.

- **Deeper verticalization extends into the midmarket.** Historically, industry editions of CRM were offered at the enterprise level, priced out-of-reach for the midmarket, or divisions of larger organizations. As CRM capabilities become increasingly commoditized, vendors look at targeting specific verticals to increase market share. Bpm'online, Microsoft, NetSuite, Salesforce, and SAP Cloud for Customer offer industry templates for a range of industries. Aptean has created full function, vertical applications that are targeted to process manufacturing, discrete manufacturing, financial services, and homebuilders. Maximizer offers deep functionality for financial advisors and wealth management.

The CRM market is a mature market. The first products were introduced in the 1990s and leading vendors have had solutions in the market for well over a decade. This evaluation is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 5 Forrester Wave™: CRM Suites For Midsize Organizations, Q1 '15

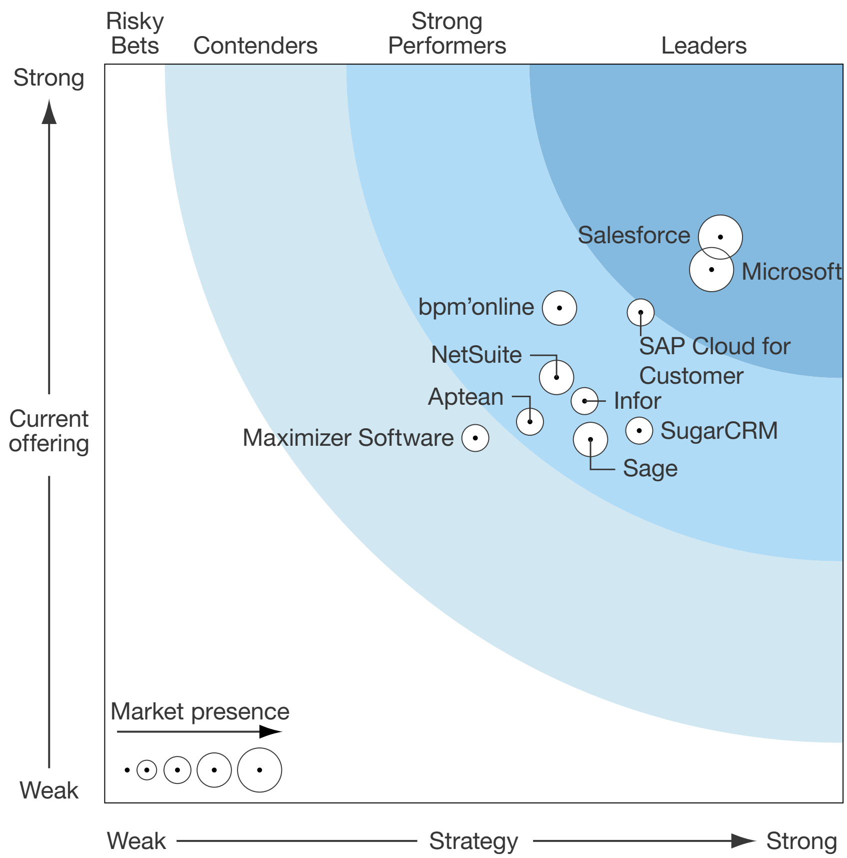

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Figure 5 Forrester Wave™: CRM Suites For Midsize Organizations, Q1 ‘15 (Cont.)

	Forrester's Weighting	Aptean	bpm'online	Infor	Maximizer Software	Microsoft	NetSuite	Salesforce	`SAP Cloud for Customer	SugarCRM	Sage
CURRENT OFFERING	50%	2.58	3.35	2.72	2.47	3.61	2.88	3.83	3.32	2.52	2.46
Sales force automation	20%	3.10	3.05	2.90	2.55	4.15	3.75	4.70	4.30	3.50	3.80
Marketing automation	20%	2.39	3.62	2.60	2.72	3.00	2.69	3.31	2.73	1.72	2.33
Customer service	20%	2.90	3.80	2.20	2.50	3.80	2.20	4.70	2.40	2.85	1.65
Field service	5%	0.40	2.60	1.40	0.80	0.00	2.60	1.00	1.80	0.40	1.40
eCommerce	5%	0.00	1.75	1.88	1.00	1.13	4.38	1.19	1.00	0.25	0.56
Business intelligence	10%	2.00	3.50	3.00	2.50	5.00	3.00	3.00	5.00	2.50	2.50
Customer data management	10%	3.92	3.00	4.00	3.08	4.50	2.67	4.50	4.25	2.42	3.00
Technology and architecture	10%	2.95	3.85	3.12	2.68	4.10	2.37	4.27	3.63	3.82	2.58
STRATEGY	50%	2.88	3.08	3.25	2.51	4.11	3.06	4.17	3.63	3.62	3.29
Product strategy	40%	2.60	2.60	3.40	1.80	3.80	3.00	3.80	3.80	3.40	2.60
Application ownership experience	10%	4.75	4.00	3.75	3.50	4.75	4.00	5.00	4.50	4.00	4.00
Corporate strategy	20%	1.30	2.70	2.30	1.20	3.80	2.80	5.00	3.80	3.30	3.50
Cost	20%	3.50	4.00	3.75	5.00	4.25	3.00	3.50	2.50	4.25	4.50
Deployment size and options	10%	4.00	3.00	3.00	2.00	5.00	3.00	4.50	4.00	3.50	2.50
MARKET PRESENCE	0%	2.05	3.05	2.80	2.77	4.85	3.60	4.50	2.14	2.95	3.21
Installed base	80%	2.00	3.00	3.00	3.40	5.00	4.00	5.00	1.80	3.00	3.20
Financial performance	10%	2.50	4.50	1.00	0.50	3.50	2.00	2.00	3.00	3.50	3.50

All scores are based on a scale of 0 (weak) to 5 (strong).

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VENDOR PROFILES

Leaders

- **Salesforce reaches further into CRM success with a clear vision and sound execution.** The Salesforce vision is one of a "customer company" where effectively engaging with customers delivers success. To support this vision, Salesforce provides SaaS-only CRM, with robust mobile support and modern user experiences. Its strong customer-centric strategy, coupled with its compelling business vision and case studies, has allowed it to penetrate an installed base of 150,000+ customers both large and small.

  Salesforce provides very strong sales force automation, customer service, and customer data management capabilities. It has sound marketing automation capabilities extended via their weakly integrated Marketing Cloud. It has very strong reporting, but very weak business analysis tools extended by their Analytics Cloud. It also has very weak field service and eCommerce capabilities, relying on its AppExchange partners to complement their offering. Salesforce has strong support for B2B and B2C business models. This, coupled with its very strong technology and architecture, accounts for the increased penetration in B2C organizations and larger CRM deals.

  Salesforce currently focuses on a handful of key verticals (financial services, media, government, healthcare, retail, and automotive) and relies on strategic partnerships for deeper verticalization. It has also segmented its sales and support functions into two business units — one dedicated to enterprise accounts, and one to midsize and small accounts. Salesforce's very strong application ownership, sound cost proposition and differentiated vision and aggressive product road map has allowed it to rapidly increase its CRM footprint. Salesforce best suits organizations looking for a SaaS-based, rapidly deployable CRM application with strong social capabilities.

- **Microsoft offers a flexible, cost-effective CRM.** Microsoft offers devices and services for individuals and businesses that unite and empower people at home, at work, and on the go. The strategy for Microsoft Dynamics CRM — a sound strategy that is well aligned to Microsoft's core value proposition — is to empower these connections with real-time information and collaboration, and enable organizations to manage their end-to-end business processes. The product focuses on delivering these results across a choice of deployment options (on-premises, cloud, partner-managed, or hybrid), payment options (license, subscription, or financing), and access points (mobile, Outlook client, browser, or SharePoint site).

  Microsoft Dynamics CRM provides strong CRM capabilities with high marks for usability, delivered via a robust, scalable platform. The product offers very strong reporting, analytics, and customer data management capabilities. It has very strong opportunity management and sales productivity capabilities. Its marketing capabilities are sound and extended via integration with Dynamics Marketing. Its customer service capabilities are also sound and extended via integration with Parature. The product lacks native field service capabilities which are provided by partners, and its eCommerce capabilities are provided via Microsoft Dynamics AX.

Microsoft offers 28 industry templates for vertical solutions for the public sector, retail, financial services, manufacturing, services, and healthcare, which complements those available from their partners. Their solution is attractively priced when compared with other vendors, especially when the solution is bundled with Microsoft Office, Power BI, and Parature. The product has a solid road map and vision for future enhancements. Microsoft Dynamics CRM is best suited for B2B companies that have made a commitment to the Microsoft technology stack and that require integration with other Microsoft solutions, such as Microsoft Office, SharePoint, and Lync.

Strong Performers

- **Bpm'online couples process management with CRM.** Bpm'online's strategy is to standardize omnichannel customer engagement by delivering consistent experiences across their sales, marketing, and service journey. The core of bpm'online's CRM platform is a business process management engine that enables customers to model, deploy, and optimize customer experiences across the entire engagement life cycle. Bpm'online's 6000 customers are predominantly located in Europe, but the vendor is gaining traction in North America. It is available on-premises and in the cloud.

  Bpm'online has sound sales, marketing, and customer service capabilities delivered via an engaging UI. These capabilities are infused with very strong process management to standardize guided selling and customer service workflows. Predictive decisioning optimizes product offers, next best steps for marketing campaigns, opportunity management, and customer service processes. The solution has strong reporting and sound analytics and customer data management capabilities. However, the solution has weak field service and very weak eCommerce capabilities.

  Bpm'online offers 24 industry templates for vertical solutions, with deeper functionality for financial services and real estate. With an average deployment size of 76 and a low cost proposition, bpm'online firmly targets the midsize organization. The company has a sound product road map, a strong application ownership experience, and strong revenue growth and profitability. Bpm'online is best suited for midsize B2B companies that rely on process-centric CRM processes that are heavily infused with decisioning to deliver and optimize consistent customer experiences.

- **SAP Cloud for Customer offers a modern cloud solution for customer engagement.** SAP Cloud for Customer, first released in 2012, is SAP's multitenant SaaS offering for sales, service, and Marketing. It is part of SAP's customer engagement and commerce solution portfolio which also includes the SAP hybris Commerce suite and other products to support end-to-end customer engagement. SAP's vision for customer engagement is aligned to Forrester's age of the customer theme. SAP Cloud for Customer is built on the SAP Hana cloud platform and leverages its common application services, such as reporting and analytics, security, integration, and collaboration. SAP Cloud for Customer is positioned as a separate product, but it can also be used to complement and extend SAP CRM.

SAP Cloud for Customer has very strong business intelligence, strong customer data management, and offers modern user experiences and mobility support. It has strong sales force automation capabilities, but weak marketing and customer service capabilities backed by sound technology and architecture. Its native field service capabilities are weak and are augmented by integrations to other SAP solutions such as SAP ERP and SAP Parts Management. SAP Cloud for Customer has no native eCommerce capabilities — instead, SAP hybris Commerce Suite provides them.

Despite its newness, SAP Cloud for Customer's installed base has grown rapidly in the last year in all geographies and in a wide range of industries — albeit primarily the SAP customer base — and has an average deployment size of 500 users. The product benefits from SAP's very strong application ownership experience and sound corporate strategy. SAP Cloud for Customer is best suited for companies that are committed to SAP, looking to modernize their user experiences and infuse predictive decisioning into their processes, or looking to augment the capabilities of SAP CRM.

- **SugarCRM offers the customization flexibility of an open source platform.** Sugar CRM empowers business users to deliver highly personalized, yet consistent interactions throughout the customer life cycle that drive customer loyalty. SugarCRM's open source model, which is unique among evaluated CRM vendors, allows organizations to extend the CRM platform using their own technology management resources or add-on modules available through SugarCRM's partner and developer communities. The product has highly flexible deployment options, and is available as an on-premises solution, via private, public, and partner cloud deployments.

  SugarCRM provides a sound sales force automation and business intelligence delivered via sound technology and architecture and a rapid time-to-value with transparent pricing. It delivers very strong and consistent user experiences across all devices and has very strong internationalization capabilities. It has weak support for marketing automation and customer service. It does not offer field service and eCommerce capabilities, but relies on its partner ecosystem to provide these capabilities.

  Unlike other vendors in this Forrester Wave evaluation, SugarCRM has no industry-specific business process support. However, SugarCRM has seen traction in manufacturing, business services, financial services/insurance, and technology — industries that require deeply customized processes for differentiation. Buyers with strong industry vertical requirements must build out functionality or leverage solutions via SugarCRM's partner network. SugarCRM has a strong road map, a strong application ownership experience, and a sound business vision. SugarCRM best suits organizations that have unique business processes that are seeking flexible pricing options with deep customization flexibility.

- **Infor CRM sets sights on the enterprise with a proven midmarket product.** Infor CRM, formerly known as SalesLogix, has recently seen a number of owners. Originally owned by the UK-based Sage Group, Swiftpage bought it in 2013, and Infor bought it in late 2014. Infor plans to invest heavily in this product, focusing on user experience, integrations into the greater Infor cloud product suite, and adding industry-specific functionality. Historically, the installed base has been comprised of midmarket and small organizations, yet Infor plans on taking it upmarket. Infor CRM is available both on premises, in the cloud and as a hybrid deployment, although not all on-premises capabilities are available in the cloud edition.

  Infor CRM offers very strong mobile and offline capabilities. It has strong core sales force automation capabilities, but lacks support for more advanced features such as renewals management or commissions management. The product also offers basic core marketing automation and core customer service capabilities, but lacks the depth and breadth of other enterprise CRM vendors. It offers strong customer data management capabilities, sound business intelligence, and technology and architecture. It has very weak support for field service and eCommerce. It currently does not offer industry-specific versions.

  The Infor CRM product road map promises continued improvements for user experiences, mobility, support for advanced analytics with visualization, stronger cloud offerings, and deeper integrations to Infor back office products. It offers a strong price/cost proposition compared with other, more functionally complex CRM solutions, and leverages Infor's sound application ownership experience. Infor CRM is best suited for organizations that are focused on sales force automation, value the solution's strong usability features and choice of deployment options, and want deeper integration to other Infor products.

- **NetSuite CRM differentiates with eCommerce capabilities.** NetSuite's SaaS unified business management suite helps its customers achieve a 360-degree customer view through its emphasis on front- and back-office integration. This sound strategy enables businesses to sell and service their customers more effectively as a result of consistent messaging across all touchpoints — website, contact center, and point-of-sale. Unlike other vendor solutions, NetSuite CRM's functionality is part of a suite that spans ERP, accounting, PSA, eCommerce, and CRM.

  NetSuite's CRM strengths include strong eCommerce capabilities, broad country and language support, reporting, and relatively fast time-to-value. It provides sound support for sales force automation and user experiences. However, the product has weak marketing automation, customer service, and field service capabilities.

  NetSuite targets its solution toward midsize organizations, or divisions within enterprise organizations that are primarily in manufacturing, retail, distribution, hi-tech, professional services, advertising, not-for-profit, and media. The product benefits from NetSuite's sound product strategy and strong application ownership strategy. NetSuite CRM best suits organizations needing an all-in-one SaaS business application that spans the front- and back-office functions of CRM, ERP, eCommerce, and financials.

- **Sage CRM offers strong core SFA and integration to back office products.** Sage offers a range of easy-to-use business management software and services for midsize and small businesses that include accounting, payroll, ERP, payments, and CRM. Their vision for Sage CRM is to help customers save time, increase productivity, and gain greater insight across the business for actionable decision-making. Sage CRM offers quick deployment over a range of options (on premise, partner hosted, SaaS, or hybrid) based on our customer surveys and integrates with Sage ERP to create a single, customer-centric view across their business.

  Sage CRM's primary strengths include strong reporting and core sales force automation capabilities — including sales process management, team, and territory management — but falls short on extended SFA capabilities such as commissions and renewals management. The solution offers sound lead management capabilities, but falls short on broader marketing capabilities such as offer management and event management. The solution offers limited capabilities for customer service, eCommerce and field service.

  Sage CRM does not provide industry-specific editions, relying instead on their extensive list of global partners to deliver vertical functionality. Sage's sound road map focuses on delivering modern user experiences, enhancing social and mobile capabilities, and providing analytics to better surface business insights. Sage CRM is primarily sold and supported through a global network of partners and has a very attractive price. Sage CRM is a good fit for midsize organizations that use other Sage back-office products and have limited technology budgets yet require a usable solution that offers strong sales capabilities and delivers workflows and insights to make an organization more productive.

- **Aptean Pivotal CRM offers flexibility to support unique business practices.** Aptean is a new company, formed in 2012 by the merger of CDC Software and Consona. Aptean offers a range of ERP, supply chain, manufacturing execution, and CRM solutions, with Pivotal CRM being Aptean's core CRM product. Aptean is dedicated to investing in Pivotal CRM as a standalone horizontal CRM, as well as leveraging its capabilities for four solution suites spanning the front- and back-office for financial services, process manufacturing, professional services, and homebuilders. These solutions bring predefined configurations optimized for their markets. It offers flexible deployment choices — on-premises, SaaS, and hybrid.

  Pivotal CRM offers sound sales force automation, lead management, campaign management, marketing spend, and case management capabilities. It also has sound across-the-board business intelligence and customer data management capabilities. The solution does not have robust support for customer service, field service and eCommerce.

  With an average deployment size of 350, Aptean Pivotal CRM is firmly centered on the high end of the midmarket. The product offers a very strong application ownership experience and has a sound value proposition. The product road map focuses on robust analytics, UI modernization, integration with their Knova knowledge management solution, and localization, as well as deeper industry-specific offerings. Aptean Pivotal CRM is best suited for organizations that need deep industry support and integrations to other Aptean solutions.

Contenders

- **Maximizer CRM delivers CRM breadth but lacks CRM depth.** Maximizer Software focuses on effectively supporting growth for small and the low-end of midsize organizations that rely on a full view of the customer across touchpoints with a straightforward CRM. To this effect, they have retooled their on-premises CRM to a SaaS solution, and are in the process of migrating their on-premises customers to their SaaS edition.

  Maximizer CRM has basic sales, marketing, and customer service capabilities, but lacks the breadth and depth of other vendors in this wave. It has sound data management capabilities. The product includes easy-to-consume reports and dashboards to identify trends and drive better decision-making, but has very weak analytics. The product offers pre-integrations with a range of ERP and financial business applications and Microsoft Office. It has weak technology and architecture, but very strong support for mobile devices and offline access. It has no eCommerce or field service capabilities.

  Maximizer offers flexible deployment options including on premises, private cloud, partner-hosted, or public cloud. Maximizer offers three vertical editions. The Wealth Management Edition supports investment advisors and includes integration with standard financial portfolio management software. Maximizer also has a student services edition for higher education and community services for government. Maximizer has a weak product strategy, a sound application ownership experience, strong implementation and support practices, and a very strong cost structure. Maximizer CRM is appropriate for midsize organizations and divisions of large organizations seeking a simple CRM suite application with a low price tag.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 5 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave Evaluation

Forrester used a combination of several data sources to assess the strengths and weaknesses of each solution:

- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls and briefings where necessary to gather details of vendor qualifications.

- **Customer reference survey.** To validate product and vendor qualifications, Forrester also conducted a survey of some vendors' current customers.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave evaluation follows, go to http://www.forrester.com/marketing/policies/forrester-wave-methodology.html.

Survey Methodology

Forrester's Business Technographics® Global Software Survey, 2014 is a mixed methodology phone and online survey fielded in July through September 2014 to 3,308 business and technology decision-makers at companies with two or more employees.

Each calendar year, Forrester's Business Technographics fields business-to-business technology studies in 10 countries spanning North America, Latin America, Europe, and Asia Pacific. For quality control, we carefully screen respondents according to job title and function. Forrester's Business Technographics ensures that the final survey population contains only those with significant involvement in the planning, funding, and purchasing of business and technology products and services. Additionally, we set quotas for company size (number of employees) and industry as a means of controlling the data distribution and establishing alignment with IT spend calculated by Forrester analysts. Business Technographics uses only superior data sources and advanced data-cleaning techniques to ensure the highest data quality.

Integrity Policy

All of Forrester's research, including Forrester Wave evaluations, is conducted according to our integrity policy. For more information, go to http://www.forrester.com/marketing/policies/integrity-policy.html.

ENDNOTES

[1] We define CRM capabilities here as sales force automation (SFA), customer service and support (CSS), and marketing automation packaged/vendor-built (not custom) business applications. Source: Forrester's Business Technographics® Global Software Survey, 2014.

[2] Years of Forrester data confirm the strong relationship between the quality of a firm's customer experience (as measured by Forrester's Customer Experience Index [CX Index]) and loyalty measures like willingness to consider the company for another purchase, likelihood to switch business, and likelihood to recommend. We used that data to build simple models that show how changes in loyalty associated with higher CX Index scores can affect a company's yearly revenue. See the March 26, 2012, "The Business Impact Of Customer Experience, 2012" report.

[3] Oracle uses its acquisitions to actualize its customer experience management suite. Notable acquisitions include Art Technology Group (ATG) for eCommerce (2011); RightNow Technologies for customer service (2011); Endeca for eCommerce Search; Eloqua for marketing automation (2012); Collective Intellect for social intelligence (2012); Vitrue for social marketing (2012); BigMachines for configure, price, and quote (2013); Responsys for marketing orchestration (2013); and TOA Technologies for eCommerce (2014).

[4] SAP makes a few key strategic moves. It has made a few key acquisitions to round out its capabilities in this area: Sybase for its mobility platform (2010); Ariba for procurement (2012); Syclo for mobile asset management and field service; KXEN for predictive analytics (2013); KXEN for predictive decisioning (2013) and hybris for multichannel eCommerce (2013). In addition, SAP partnered with NetBase Solutions for social media analysis (2012); eGain (2010); and MindTouch (2013) for knowledge management.

[5] Salesforce has made notable acquisitions to round out its customer service suite, namely: InStranet for knowledge management (2007); Informavores for visual workflow (2009); Activa Live for chat (2010); Radian6 for social media monitoring and engagement (2011); GoInstant for cobrowsing (2012); and Prior Knowledge for predictive analytics (2013).

[6] CRM Idol is a competition for emerging CRM vendors to showcase their products, strategy, and CRM vision. The winners of this competition receive publicity and coaching from CRM industry leaders.

[7] The heart of the contact center is comprised of a set of complex technologies needed to deliver quality service and drive revenue. These technologies fall into three main software categories: queuing and routing, customer relationship management (CRM) customer service, and workforce optimization (WFO). Customer service leaders demand cloud-based, deeply integrated technology suites to deliver differentiated and lower cost service to their customers. See the June 20, 2014, "Vendors Battle For The Heart Of The Contact Center" report.

[8] Nine vendors suitable for enterprise CRM organizations are evaluated in the following report. See the March 25, 2015, "The Forrester Wave™: CRM Suites For Large Organizations, Q1 2015" report.

[9] The shift to SaaS is the leading agent of change in applications adoption as companies seek better flexibility and speed. Sales, marketing and customer service technologies lead the charge in SaaS adoption. See the May 5, 2014, "Application Adoption Trends: The Rise Of SaaS" report.

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