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The Forrester Wave™: CRM Suites For Large Organizations, Q3 2012

by William Band, July 9, 2012

KEY TAKEAWAYS

Organizations Invest In CRM To Speed Their Journey To Customer Centricity

The only source of competitive advantage is the one that can survive technology-fueled disruption: an obsession with understanding, connecting with, and serving customers. Many large organizations have already implemented a CRM solution, and many are investing more to upgrade their tool set.

The CRM Suites Market Consolidates As AD&D Pros Look For Converged Capabilities

Large CRM vendors have acquired direct competitors or have snapped up companies in adjacent spaces to broaden their customer engagement management offerings. This is in response to the demand for solutions that support the cross-channel, end-to-end customer journey that defines the quality of the experience an organization delivers.

Buyers Need To Probe Deeply To Find The Right CRM Suites Solution

Key vendors have transitioned to cloud deployment models, offer improved support for agile business process management for multichannel interactions, have deepened their ability to manage customer data and provide richer analytical insights, and have added social computing and mobility capabilities.



The Forrester Wave™: CRM Suites For Large Organizations, Q3 2012

The 17 Solutions That Matter Most And How They Stack Up

by [William Band](#)

with [Stephen Powers](#), [Kate Leggett](#), [Boris Evelson](#), [Brian K. Walker](#), Reedwan Iqbal, and Rowan Curran

WHY READ THIS REPORT

During the past five years, the customer relationship management (CRM) solutions market has experienced considerable growth and turmoil, including significant vendor consolidation and a rapid rise in the popularity of cloud solutions. In addition, quickly evolving technologies such as multichannel digital customer engagement, real-time decisioning, social computing, business process management (BPM), and mobility are creating new ways for organizations to deliver differentiated customer experiences. In this report, we evaluated 17 significant products in the space from a broad range of vendors: CDC Software, FrontRange Solutions, Maximizer Software, Microsoft, NetSuite, Oracle (looking at its Oracle CRM On Demand, Oracle E-Business Suite CRM, Oracle PeopleSoft Enterprise CRM, and Oracle Siebel CRM products), Pegasystems, RightNow Technologies (now Oracle RightNow CX Cloud Service), Sage CRM, Sage SalesLogix, salesforce.com, SAP CRM, SugarCRM, and Sword Ciboodle. This report details our findings on how CRM suite solutions for large organizations measure up and plots where they stand in relation to each other in order to help application development and delivery (AD&D) professionals select the right solution for their needs.

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Notes & Resources

Forrester conducted vendor survey evaluations in February 2012 and evaluated 17 CRM solutions worthy of consideration by large organizations. We also surveyed vendor customers.

Related Research Documents

[Assess CRM Capabilities To Pinpoint Opportunities](#)

June 20, 2012

[Define The Right CRM Metrics](#)

April 10, 2012

[Navigate The Future Of CRM](#)

February 16, 2012



ENTERPRISES STRUGGLE TO COMPETE IN THE AGE OF THE CUSTOMER

We've entered a new era that Forrester calls the age of the customer. While companies have always, to a greater or lesser extent, called themselves “customer-centric,” this is different. This is not about customer-centric thinking or taking the attitude that the customer is always right. Instead, the new power of customers means that a focus on the customer now matters more than any other strategic imperative.¹ Competitive differentiation achieved through brand, manufacturing, distribution, and IT are all now only table stakes. The only source of competitive advantage is the one that can survive technology-fueled disruption — an obsession with understanding, delighting, connecting with, and serving customers. Effectively managing your company's relationships with those who buy and use your company's products and services has never been more important.

Organizations Of All Sizes Continue To Invest In CRM Solutions

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.*²

Although Forrester does not advocate that organizations view CRM only as a set of technologies, strong interest in investing in and deploying technology solutions to improve customer-facing business processes continues. In fact, 50% of the 556 North America and European large organizations that we recently surveyed have already implemented a CRM solution (a marketing, sales, or customer service application) — and many are investing more to upgrade their tool set. An additional 23% have plans to adopt a CRM solution within the next 12 to 24 months. This pattern of widespread adoption for CRM solutions is evident among midsize organizations as well (see Figure 1).

Despite CRM adoption rates, as organizations strive to succeed in the age of the customer, business and IT professionals responsible for customer-facing processes struggle with how to define CRM strategies, re-engineer customer-facing business processes, acquire and deploy the appropriate supporting technologies, and lead and sustain the organizational changes required to make the transition to new ways of working. To make savvy CRM solution investment decisions, you must understand and navigate a number of important trends:³

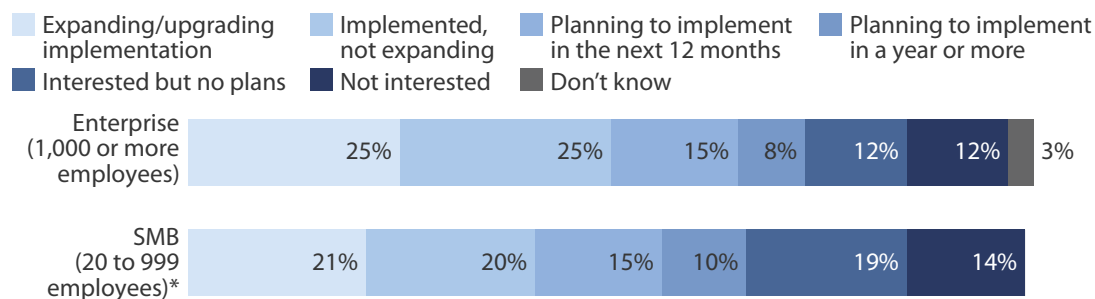
- **Customer experience management moves beyond aspiration to strategy.** More organizations are moving to define clear and actionable customer experience strategies that: 1) define the intended experience; 2) direct employee activities and decision-making; and 3) guide funding decisions and project prioritization.⁴ Increasingly, organizations are embracing customer experience management as a management discipline.⁵
- **Brands embrace the experience ecosystem.** Firms need to move to break free from their organizational silos, invest in understanding customer moments of truth through journey-mapping, and embrace the concept of the customer experience ecosystem — which considers the influence of every single employee and external partner on every single customer interaction.⁶

- **Solutions converge to support cross-channel customer interactions.** Forrester anticipates the convergence of technologies from varied sectors to form the core of customer experience management (CXM) solutions. Vendors from a diverse set of solution categories — from eCommerce platforms to content management, site search, personalization, and customer service — are expanding their capabilities to support the management and optimization of cross-touchpoint customer experiences.⁷
- **Organizations strive to domesticate untamed processes.** More organizations are focusing on renovating poorly managed customer-facing processes, which remain, in many ways, the last frontiers of business process automation.⁸ Processes that touch customers and suffer from inefficiency and disconnects include: customer onboarding, order administration, loan processing, incident management, customer service, and investigations. As a result, solutions with a strong BPM backbone are attracting increased attention from organizations seeking to better manage fragmented customer interaction processes.
- **Mobile applications empower customer-facing workers and consumers.** Interest in mobile CRM solutions is red hot. Organizations have invested for more than a decade in traditional CRM solutions. However, mobile workers often still do not have the necessary information at hand to sell to and serve customers effectively when they are away from the office. Newer mobile device form factors (smartphones and tablets) have become ubiquitous, opening up new possibilities for improving employee productivity and interactions with customers. Virtually all CRM vendors now offer mobile solutions as extensions of their applications to fill this gap. But despite the growing maturity of mobile CRM solutions, business and IT leaders are still perplexed by the complexities of the different mobile options and architectures.⁹
- **Organizations use social customer engagement tactics more widely.** More social CRM use cases spotlighting demonstrable business value are emerging. Forrester's annual Groundswell Awards showcase hundreds examples of how organizations use social computing — for example, in market research, marketing communication, customer self-service, and product development.¹⁰
- **Big data moves to center stage.** Application development and business intelligence professionals face the challenge that social-sourced customer intelligence can become a never-ending data gusher. As result, organizations are showing growing interest in big data. This emerging paradigm focuses on architecting analytic and transactional applications to harness petabytes of complex information flowing in from social media and other new and traditional sources.¹¹
- **Agile implementation approaches take root.** Companies want to become more flexible in their approach to managing interactions with customers. As result, they are increasingly adopting Agile project management and software development methodologies based on the principles of iterative development, where requirements evolve through collaboration within a self-organizing, cross-functional team. This desire for increased flexibility and agility has been a key driver of the rapid adoption of CRM software-as-a-service (SaaS) solutions.¹²

- The voice of the customer (VoC) becomes an engine for cultural change.** Organizations increasingly try to harness the voice of the customer to prioritize process improvements and help back-office employees better understand customer expectations. Providing more customer feedback to employees across the organization in the form of survey results, customer visits, social sentiment data, and the like assists employees in gaining a better understanding of the impact of their decisions on the customer.¹³

Figure 1 Half Of Surveyed Large Organizations Have Already Adopted A CRM Solution

“What are your firm’s plans to adopt the following packaged (not custom) business applications?”
 (Customer relationship management)



Base: 556 IT executives and technology decision-makers at enterprise organizations
 *Base: 536 IT executives and technology decision-makers at SMB organizations
 (percentages may not total 100 because of rounding)

Source: Forrsights Software Survey, Q4 2011

61645

Source: Forrester Research, Inc.

Consolidation Sweeps Through The CRM Market

In recent years, there has been continued consolidation and turmoil in the CRM solutions landscape. Some of these changes include:

- Oracle has bulked up.** In early 2011, Oracle acquired ATG, an eCommerce platform, and in mid-2011 it snapped up InQuira, a leading knowledge management solution. It also acquired the intellectual property assets of Market2Lead, a provider of demand generation and marketing automation software, to be beef up its Oracle CRM On Demand offering. In early 2012, Oracle acquired Endeca, a leading provider of unstructured data management, web commerce, and business intelligence solutions, as well as RightNow Technologies, a cloud CRM vendor that emphasizes customer experience and contact center technology. It rebranded RightNow as Oracle RightNow CX Cloud Service.
- SAP has made notable acquisitions.** In late 2010, SAP acquired mobility platform solutions provider Sybase. In 2011, it entered into a partnership with eGain for knowledge management and also acquired SuccessFactors, a SaaS-based human capital management company. In early 2012, SAP made a move into social media analysis with a partnership with NetBase. It

also acquired Syclo to accelerate its push into mobility, including efforts behind mobile asset management and field service solutions.

- **Salesforce.com has turned on its acquisition engine.** During 2010 and 2011, salesforce.com made a series of moves, acquiring: 1) the Ruby development software company Heroku; 2) Radian6, a social media monitoring and engagement platform; 3) Dimdim, a collaboration vendor; 4) Model Metrics, a cloud services consulting company; 5) Rypple, a human capital management (HCM) solution; 6) Assist.ly, a customer support and help desk company for the small business market; and 7) Stypi, a collaborative authoring tool.¹⁴
- **Specialty vendors are also making acquisition moves.** Other acquisitions of note include Nice Systems' acquisition of enterprise feedback monitoring (EFM) vendor Fizzback and Verint's acquisition of EFM vendor Vovici. Additionally, Marketo, a marketing automation solutions vendor, acquired Crowd Factory, a social campaign management platform.

CONSIDER FOUR VENDOR TYPES

Even with consolidation, CRM solutions fall into four 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. They can scale to serve large user populations, and they offer support for multiple languages and countries. They offer their products primarily through the traditional on-premises licensing model, but many now also offer hosted and SaaS deployment options. Vendors in this category also target midsize organizations, offering prepackaged versions of their solutions (with more-limited functionality and fixed-price implementation services) with more-affordable price tags.
- **CRM suites for midmarket 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. These solutions are less suitable for large-scale global deployments. Like the vendors targeting large organizations, the vendors in this group offer a variety of deployment options, including on-premises licensed, hosted, and SaaS. 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.
- **CRM solutions for small organizations.** Vendors with solutions in this category primarily target organizations with up to 250 employees. They offer a variety of deployment options, including on-premises licensed and SaaS. 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 Fit Into Four Categories



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

CRM SUITES FOR LARGE ORGANIZATIONS EVALUATION OVERVIEW

Forrester evaluated the strengths and weaknesses of top CRM vendors suitable to meeting the needs of large and midsize organizations across 414 criteria. We then applied two sets of criteria weightings: one appropriate for large, enterprise-class organizations and another reflecting the priorities of midsize organizations. The following assessment will help you see how the 17 CRM suite products that we evaluated for large organizations compare.

Buyers Focus On Current Offering, Future Vision, And Strength Of Installed Base

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 414 criteria, which we grouped into three high-level categories:

- **Current offering.** We looked at the breadth of vendors' product offering(s), global capabilities, and adaptation to specific industry requirements. We also evaluated vendor customer data management and analytics abilities as well as usability and took into consideration cost and the strength of vendors' technology platform and tools.
- **Strategy.** We examined the strength of the vendors' product strategy and vision and how vendors intend to differentiate in the CRM market. We focused on the methods vendors use to deliver a satisfactory application ownership experience to their customers. We also considered vendors' technology partnerships and their relationships with professional services organizations such as consultants and systems integrators (SIs).
- **Market presence.** We gauged the size of vendors' customer and user base in the large organization market and evaluated the depth of human and financial resources available to enhance their products and serve customers.

Evaluated Vendors Offer A Breadth Of Capabilities For Large Organizations

We included 17 solutions in our assessment of CRM suites for large organizations, including: CDC Software, FrontRange Solutions, Maximizer Software, Microsoft, NetSuite, Oracle (Oracle CRM On Demand, Oracle E-Business Suite CRM, Oracle PeopleSoft Enterprise CRM, and Oracle Siebel CRM), Pegasystems, RightNow Technologies (now Oracle RightNow CX Cloud Service), Sage CRM, Sage SalesLogix, salesforce.com, SAP CRM, SugarCRM, and Sword Ciboodle. While Oracle chose not to provide full information for four of its CRM solutions (Oracle CRM On Demand, Oracle E-Business Suite CRM, Oracle PeopleSoft Enterprise CRM, and Oracle Siebel CRM), we placed these solutions in the Forrester Wave™ based on our knowledge of Oracle's solutions from past analysis and publicly available information so as to provide a complete picture of the competitive landscape.

Each vendor included in the evaluation (see Figure 3):

- **Offers a multifunctional CRM applications suite.** Each vendor included in this Forrester Wave has functionality in a minimum of three of the following CRM subdisciplines and tools: marketing, sales force automation, customer service, field service, partner channel management, eCommerce, customer analytics, and customer data management. Products promoted primarily as best-of-breed solutions for a single functional area were not included. For this reason, two products previously reviewed in CRM Forrester Wave reports — Consona CRM (which is now promoted primarily as a customer service/knowledge management solution) and Infor CRM Epiphany (a solution that centers on marketing interaction management) — are not part of this evaluation. Other marketing specialists such as Eloqua, IBM's Unica, Neolane, and SAS are also excluded. SAP Sales OnDemand is not included in our evaluation, either, as its functionality is limited primarily to sales force management.
- **Offers a solution suitable for large organizations with complex requirements.** Vendors we included focus on, and have references from, large organizations with complex requirements. These requirements include the ability to scale on a global basis, manage end-to-end business processes, integrate into complex legacy environments, and manage large volumes of customer-related data.
- **Offers a solution suitable for midsize organizations or divisions of large enterprises.** Mid-sized organizations and divisions of large enterprises are typically more IT- 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. We did not include CRM solutions targeted primarily to the small business sector, such as Act, Capsule, FrontRange GoldMine, Infusionsoft, Nimble, and Zoho.
- **Provides a solution targeted to multiple industries.** Evaluated vendors target buyers across a diverse range of industries and business models, including: business to business (B2B), business to consumer (B2C), and business to business to consumer (B2B2C). For this reason, we did not include vendors that specialize in a limited range of industries. For example, Amdocs, reviewed in previous CRM Forrester Wave reports, is not included because it focuses almost exclusively on the telecommunications industry. Nor did we include CRM solutions that specialize in the life sciences sectors: Cegedim Dendrite, Update CRM, and Veeva. Similarly, we did not review financial services industry specialist NexJ or not-for-profit CRM specialist Blackbaud.
- **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. For this reason, we did not evaluate Oracle Fusion CRM in detail in this report, as the product was not yet in general release by the deadline date for inclusion. Also, Chordiant was acquired by Pegasystems in mid-2010 and therefore is no longer included in Forrester's recurring evaluations of CRM suite vendors.

Figure 3 Evaluated Products: Product Information And Selection Criteria

Vendor	Product evaluated	Product version evaluated	Version release date
CDC Software	Pivotal CRM	6.0.10	December 2011
FrontRange Solutions	GoldMine Enterprise Edition	6.3.6	October 2011
Maximizer Software	Maximizer CRM	12	November 2011
Microsoft	Microsoft Dynamics CRM	Q4 2011 Service Update	October 2011
NetSuite	NetSuite CRM+	2012.1	January 2012
Oracle	CRM On Demand	R19	July 2011
Oracle	Oracle E-Business Suite CRM	R12.1.2	December 2009
Oracle	PeopleSoft Enterprise CRM	9.1	October 2009
Oracle	Oracle Siebel CRM	8.2.2	November 2011
Pegasystems	Pega CRM	6.2	October 2011
RightNow Technologies	RightNow CX	RightNow CX November	November 2011
Sage CRM	Sage CRM	v7.1	March 2011
Sage SalesLogix	Sage SalesLogix	7.5.4	June 2011
salesforce.com	Sales Cloud, Service Cloud	Winter '12	October 2011
SAP	SAP CRM	7.0 EhP2	September 2011
SugarCRM	Sugar Enterprise	6.3	November 2011
Sword Ciboodle	The Ciboodle Platform	3.7	December 2011

Vendor selection criteria

Offers a multifunctional CRM applications suite.

Offers a solution suitable for large organizations with complex requirements.

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.

Source: Forrester Research, Inc.

THE RESULTS: BUYERS SHOULD DO DEEP DUE DILIGENCE TO FIND THE RIGHT FIT

The evaluation uncovered a market in which (see Figure 4):

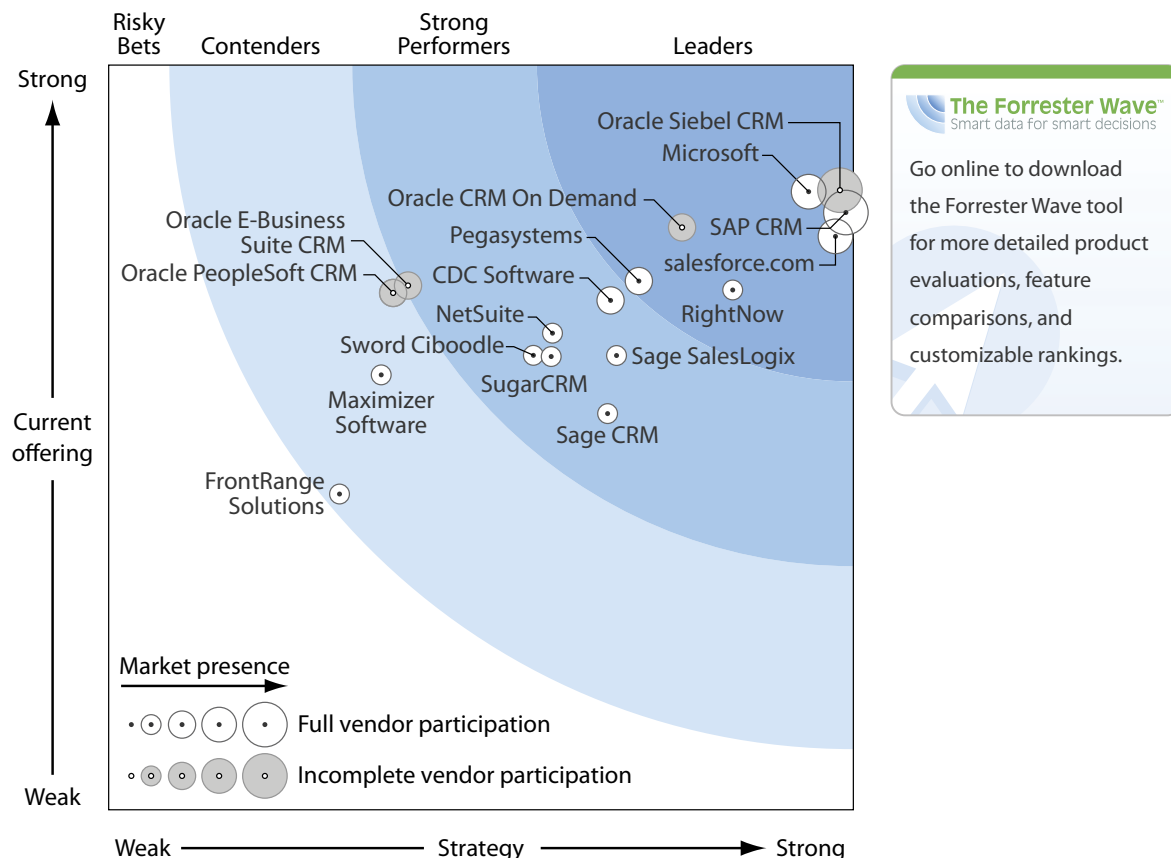
- **SaaS solutions from Microsoft, Oracle, and salesforce.com are growing fastest.** These include Microsoft Dynamics CRM Online, Oracle's cloud CRM products — Oracle CRM On Demand, and Oracle RightNow CX Cloud Service — and salesforce.com. The Sage CRM products for the midmarket (Sage SalesLogix and Sage CRM) have also been retooled to include on-demand options, and SugarCRM is also available in a variety of on-demand deployment configurations. Buyers like the low upfront costs, usability, flexibility, and speed-to-value of SaaS CRM solutions. However, total cost of ownership, data integration, security, and solution governance remain question marks in the minds of the buyers at large organizations with complex requirements.
- **Oracle has expanded its collection of leading CRM solutions, but complexity has increased.** Oracle benefits from a portfolio of strong CRM solutions. Although Oracle E-Business Suite CRM and Oracle PeopleSoft Enterprise CRM are losing ground in the market (they are targeted primarily to their respective suite user bases), Oracle Siebel CRM and Oracle CRM On Demand remain Leaders. With its acquisition of RightNow Technologies, Oracle added another Leader to its stable. However, the recent introduction of Oracle Fusion CRM in early 2012 (with functionality limited to sales force management, marketing automation, customer hub/master data management, territory management, incentive compensation, quota management, and contracts) as well as acquisitions in adjacent spaces such as commerce (ATG) and business intelligence solutions (Endeca) leave buyers wondering about product road maps. In particular, they may be concerned about the level of investment each solution will receive and the technical integration among them. In the case of Fusion CRM products, upgrade paths from heritage products are not yet proven, and relatively few customers have adopted the products at this time (about two dozen customers are live on Oracle Fusion Applications).
- **SAP CRM has substantially increased its user base.** The SAP CRM customer base has grown significantly in recent years (the company reports more than 7.5 million users), primarily within the large, predominantly B2B, SAP ERP installed base. This is a result of SAP investing for years in its core CRM solution, which boasts significantly improved usability, as well as offering new solution packaging, pricing, and implementation options to improve time-to-value. Strong integrations with related SAP solutions such as pricing and order management are pluses. SAP CRM is now beefing up its capabilities to support B2C customer interaction scenarios. The company still lags in offering a fully featured on-demand CRM solution.
- **Pega CRM, Sword Ciboodle, and CDC's Pivotal CRM benefit from increased BPM interest.** Organizations can't solve all customer interaction management problems with traditional data-centric CRM solutions alone. Rather, they need process-centric, rules-based, more dynamic solutions to orchestrate business processes across organizational silos. As a result, Pegasystems has been enjoying strong growth with its focus on offering a "platform for customer centricity."

Sword Ciboodle is finding success supporting complex, customer-interaction-intensive use cases. CDC Software's Pivotal CRM has gained a place in the market among companies that need highly customized user interfaces (UIs) and strong process management capabilities.

- Six vendors offer breadth — but not depth — at lower price points.** Solutions from FrontRange Solutions, Maximizer Software, NetSuite, Sage CRM, and Sage SalesLogix have traditionally targeted the midsize and small organization market, but vendors are continuing to improve these solutions, and they are also finding a home in smaller divisions of large enterprises. These vendors offer a breadth (although not depth) of CRM capability at lower price points than those of the market leaders that have traditionally focused primarily on the needs of large enterprises. SugarCRM, with its commercial open source development approach, is increasingly catching the interest of larger organizations in addition to its traditional base of smaller companies and individuals.

This evaluation of CRM suites for large organizations is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 4 The Forrester Wave™: CRM Suites For Large Organizations, Q3 '12



Source: Forrester Research, Inc.

Figure 4 The Forrester Wave™: CRM Suites For Large Organizations, Q3 '12 (Cont.)

	Forrester's Weighting	CDC Software	FrontRange Solutions	Maximizer Software	Microsoft	NetSuite
CURRENT OFFERING	50%	3.42	2.12	2.92	4.15	3.20
What product is this Forrester Wave™ evaluating?	0%	0.00	0.00	0.00	0.00	0.00
Sales	8%	3.98	2.87	3.32	4.73	3.86
Marketing	6%	3.10	2.30	2.55	3.97	2.85
Customer service	8%	2.83	2.23	2.48	3.24	2.41
Field service	2%	1.88	0.46	1.41	2.71	1.94
eCommerce	3%	0.00	0.47	1.27	1.02	3.66
Partner channel management	3%	2.94	0.20	1.74	3.21	2.21
Business intelligence (BI)	10%	3.01	0.75	2.07	4.32	2.89
Customer data management	10%	3.71	1.93	2.53	4.07	3.18
Internationalization	5%	4.34	2.03	3.00	5.00	4.01
Industry business process support	5%	1.45	0.50	0.67	3.27	1.06
Architecture and platform	10%	3.74	2.76	2.91	4.37	3.49
Usability	20%	4.07	2.81	4.16	4.91	4.01
Cost	10%	4.15	3.10	4.20	4.20	3.00
STRATEGY	50%	3.37	1.55	1.83	4.70	2.98
Planned enhancements	50%	3.00	1.00	1.00	5.00	3.00
Application ownership experience management methodologies	10%	4.30	2.05	1.85	5.00	3.40
Corporate strategy	40%	3.60	2.10	2.85	4.25	2.85
MARKET PRESENCE	0%	2.30	1.40	1.25	3.75	1.50
Customer base	80%	2.00	1.00	1.00	3.50	1.00
Employees	10%	3.00	2.50	2.00	5.00	3.00
Financial performance	10%	4.00	3.50	2.50	4.50	4.00

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

Source: Forrester Research, Inc.

Figure 4 The Forrester Wave™: CRM Suites For Large Organizations, Q3 '12 (Cont.)

	Forrester's Weighting	Pegasystems	RightNow	Sage CRM	Sage SalesLogix	salesforce.com	SAP CRM	SugarCRM	Sword Ciboodle
CURRENT OFFERING	50%	3.55	3.49	2.66	3.05	3.85	4.01	3.05	3.04
What product is this Forrester Wave™ evaluating?	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales	7%	4.03	3.99	2.88	3.86	4.50	4.84	3.39	2.90
Marketing	3%	3.53	3.22	2.10	2.56	2.85	4.24	1.84	2.22
Customer service	6%	4.33	4.40	2.25	2.16	4.14	3.42	2.53	4.17
Field service	0%	1.91	0.33	0.89	1.86	2.19	4.03	1.58	1.77
eCommerce	0%	1.79	1.13	0.64	0.13	1.30	2.39	0.42	1.14
Partner channel management	2%	2.32	2.80	0.35	1.11	4.24	4.70	2.23	1.22
Business intelligence (BI)	3%	3.43	3.20	1.38	2.69	3.07	4.28	2.24	2.32
Customer data management	4%	2.47	2.80	2.25	2.52	3.69	3.76	1.88	3.05
Internationalization	1%	4.67	4.67	3.35	3.34	4.01	5.00	4.34	3.35
Industry business process support	0%	2.18	1.49	1.30	0.51	2.31	3.75	0.51	0.75
Architecture and platform	4%	4.87	3.91	3.15	3.41	4.23	4.61	4.10	4.39
Usability	5%	3.94	4.11	3.78	4.37	4.91	4.42	3.99	3.78
Cost	65%	3.00	3.80	4.10	4.15	3.85	2.10	4.90	2.95
STRATEGY	50%	3.56	4.19	3.35	3.41	4.88	4.95	3.09	2.97
Planned enhancements	50%	3.00	4.00	3.00	3.00	5.00	5.00	3.00	3.00
Application ownership experience management methodologies	10%	4.35	4.50	2.85	3.45	3.80	4.50	2.05	3.25
Corporate strategy	40%	4.05	4.35	3.90	3.90	5.00	5.00	3.45	2.85
MARKET PRESENCE	0%	2.03	1.95	1.90	1.93	3.65	4.15	1.68	1.40
Customer base	80%	1.50	1.50	1.50	1.50	3.50	4.00	1.50	1.00
Employees	10%	3.75	3.00	3.50	3.75	4.00	5.00	1.25	2.00
Financial performance	10%	4.50	4.50	3.50	3.50	4.50	4.50	3.50	4.00

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

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders

- **Oracle Siebel CRM offers proven across-the-board CRM functionality.** This solution provides robust capabilities that empower businesses to better address customer needs, respond more quickly to growth, and create a strong Oracle Siebel ownership experience for the enterprise. Oracle Siebel CRM still supports one of the largest user populations in the market, and 79% of customers have upgraded or are looking to upgrade to an 8.x platform. Of this 79%, 58% are on a Siebel 8.1.1.x version. Oracle Siebel CRM offers very strong functionality for marketing sales, partner channel management, field service, customer data management, architecture and platform, business intelligence, and the ability to support global businesses using multiple languages. It also has strong capabilities to support customer service, and its most current versions offer good usability. Compared with other CRM vendors, Oracle Siebel CRM offers strong support for mobile CRM. It has a very strong loyalty marketing solution but falls short in eCommerce capabilities. (In early 2011, Oracle completed its acquisition of eCommerce vendor ATG.) Oracle Siebel CRM, by itself and in combination with other Oracle products, offers solutions that address industry-specific requirements, for example, in the life sciences, utilities, telecommunications, and financial services industries.

Oracle offers the product as an on-premises deployed solution only. It has a very strong road map for future enhancements, which attests to a commitment to support the product over the long term. Oracle promises an upgrade path from Oracle Siebel CRM to Oracle's new Fusion CRM solution (Oracle Fusion CRM functionality is limited to sales force management, marketing automation, customer hub/master data management, territory management, incentive compensation, quota management, and contracts). This path is unproven at this point, and Oracle has relatively few customers using Fusion CRM at present (about two dozen customers are live on Fusions Applications). Buyers view Oracle Siebel CRM as expensive compared with other solutions, and it best suits buyers that already have significant commitment to the product or that want across-the-board deep CRM functionality. It can support very large-scale and complex requirements, such those emerging in the public sector and healthcare payer industry sectors.

- **SAP CRM turns its focus toward improving the customer experience.** SAP's strategic approach to CRM is to build a comprehensive portfolio focused on customer experience with operational, interaction, and decision competencies. The SAP CRM solution has one of the largest user bases in the industry (SAP reports more than 7.5 million users). SAP CRM offers very strong functionality for sales, partner channel management, platform and architecture, and the ability to support global enterprises. Usability has been significantly improved in recent years and is very strong. SAP CRM also has strong business intelligence, marketing, and field service capabilities. The solution has sound functionality for customer data management and customer service. SAP has continued to invest in eCommerce with the release (in April 2012) of

a new integrated CRM eCommerce solution called SAP Web Channel Experience Management. It is too early to assess customer adoption for this solution; therefore, SAP falls a bit short in eCommerce in this assessment. Compared with other CRM vendors, SAP CRM offers strong support for mobile CRM. The product has long had strong offerings to support industry-specific business processes, in combination with other SAP solutions, for the utilities, financial services, telecommunications, and manufacturing sectors. SAP is now retooling SAP CRM to provide more-robust capabilities to address the needs of B2C organizations concerned with managing the digital customer experience, such as retailers.

SAP CRM is offered as an on-premises deployed solution only, although SAP also offers a SaaS solution, SAP Sales OnDemand, that is limited to supporting sales force management functionality. SAP Sales OnDemand can coexist and complement SAP CRM on-premises solutions. Buyers view SAP CRM as costly compared with other CRM solutions, but SAP maintains a very strong road map for continued future enhancements, and it continues to find success with its Rapid Deployment Solution (RTS) approach to helping customers overcome the challenge of lengthy implementation cycles. SAP CRM best suits buyers that are committed to SAP and its enterprise resource planning (ERP) platform and that need to support end-to-end industry processes.

- **Microsoft Dynamics CRM shines with strong usability and compelling value.** The Microsoft Dynamics CRM user base has been growing quickly as a result of Microsoft offering buyers the “power of choice” for the application’s deployment (on-premises, on-demand, or partner-hosted), payment (license, subscription, or financing), and use (Outlook client, browser, SharePoint site, or other interfaces). Microsoft Dynamics CRM offers very strong capabilities for sales, usability (based on the familiar Outlook UI look and feel), and the ability to support organizations that operate across international boundaries and languages. Compared with other CRM vendors, it offers very strong support for mobile CRM.

Microsoft Dynamics offers strong marketing, business intelligence, and customer data management capabilities as well as a strong architecture and platform. It provides sound functionality for customer service and partner channel management capabilities but falls short for field service and eCommerce. It does not generally offer industry-specific solutions. Industry enhancements are available through partner solutions. Microsoft Dynamics CRM appeals to organizations that have made a commitment to a Microsoft infrastructure in order to lower their total cost of ownership (TCO) for buying and managing business technologies. Buyers also like Microsoft Dynamics CRM’s lower price and its quick time-to-value compared with traditional CRM applications.

- **Salesforce.com leads for organizations that aspire to become social businesses.** The salesforce.com vision is to help clients facilitate interactions between customers and organizations to enable the concept of the social enterprise. In the social enterprise, the customer is the center of focus, surrounded by employee networks, customer social networks, and product social networks. The

company has grown quickly as the leading pioneer of CRM with a SaaS deployment model, which mitigates customers' IT risks and implementation challenges compared with traditional on-premises solutions. Salesforce.com offers very strong usability, sales, and partner channel management functionality. It has a strong architecture and platform as well as strong customer service capabilities. Compared with other CRM vendors, it offers very strong support for mobile CRM. The solution also has sound customer data management and business intelligence capabilities but falls short in marketing, field service, and eCommerce. Its industry-specific process capabilities are not well developed except in select sectors, for example, wealth management.

Salesforce.com offers a strong value proposition compared with on-premises CRM solutions, and it provides quick time-to-value. However, buyers are beginning to question the economics of the SaaS subscription-based "per-user-per-month" pricing model for very large numbers of users. The company has a strong vision for future enhancements, as evidenced by the introduction of its social collaboration tool, Chatter. The company has also made many acquisitions during 2010 and 2011 to enrich its platform and applications ecosystem (for example, Heroku, Radian6, Dimdim, Assist.ly, and Stypi). Salesforce.com is best suited for businesses that are looking for an easy-to-use, rapidly deployable, and well-proven sales management and customer service CRM application and that are committed to moving to the cloud and embracing social business models.

- **Oracle CRM On Demand is a good option for buyers committed to Oracle technologies.** The primary target market for this SaaS solution is Oracle's substantial installed base of customers. The strategy for Oracle CRM On Demand is to enable superior business responsiveness with a combination of industry-specific solutions, business intelligence, prebuilt integration with other Oracle products, and business process management solutions to provide organizations with the agility to allow them to know and respond to their customers. The product features a very strong architecture and platform as well as very strong usability, internationalization, and sales force automation capabilities. The solution also has sound capabilities to support marketing, customer service, partner channel management, business intelligence, and customer data management but is weak in field service and eCommerce. Compared with other CRM vendors, it offers sound support for mobile CRM.

The product stands out among SaaS CRM solutions with its depth of functionality for selected industries: life sciences, high-tech manufacturing, and financial services. Oracle CRM On Demand offers a very strong value proposition compared with traditional on-premises CRM solutions, and Oracle also has a sound vision for future enhancements for the product. Oracle CRM On Demand is best suited for businesses that want a SaaS deployment approach and are committed to the Oracle platform and Oracle technologies.

- **RightNow anchors Oracle's on-demand portfolio for customer service.** Oracle RightNow CX Cloud Service is a CRM SaaS solution that in early 2012 became part of Oracle's cloud computing portfolio. In recent years, RightNow has aimed to help B2C enterprises facilitate a seamless journey for customers and deliver a differentiated customer experience. It succeeded

by capitalizing on buyers' increased interest in improving customer interactions as well as their greater acceptance of SaaS solutions. The organization also stands out as having a highly satisfied customer base. RightNow offers very strong usability and customer service functionality and has the ability to support companies operating across countries and languages. The solution also has a strong architecture and platform. However, the RightNow code base is .NET-based, which is different from other Oracle technologies. Compared with other CRM vendors, it offers sound support for mobile CRM. RightNow offers sound marketing and business intelligence functionality but falls short in partner channel management, customer data management, eCommerce, and field service.

Prior to its acquisition by deep-pocketed Oracle, RightNow's solution road map was defined mostly by incremental product enhancements. Oracle has announced that it will significantly increase the level of investment in accelerated product development. Thus, the overall corporate strategy for RightNow is strong. RightNow will likely be a linchpin of Oracle's emerging on-demand solutions portfolio. However, the delivery of significant product upgrades and integrations with Oracle solutions is unproven. Oracle RightNow CX Cloud Service is best suited for B2C organizations that need a customer-service-centric CRM suite with rapid time-to-value.

- **Pegasystems delivers process-centric CRM to tame unruly business processes.** Pegasystems states that its mission is to deliver “software for customer centricity.” Buyers turn to Pega CRM to address their needs for transforming customer-facing problems, especially for “untamed processes” in large, complex organizations. With its recent unification of predictive and adaptive analytics and new support for social and mobile, the company has invested heavily to help organizations deliver uniquely differentiating customer experiences. Pega CRM offers a very strong architecture and platform as well as very strong customer service functionality. It also offers strong marketing, sales, and business intelligence functionality as well as strong usability. Compared with other CRM vendors, it offers strong support for mobile CRM.

Pega CRM has strong vision and product road map (future plans call for deepening its support for marketing processes and adding sales force automation capabilities) backed by ever-increasing levels of investment. The solution has very strong business process and workflow functionality. However, it falls short in field service, partner channel management, eCommerce, and customer data management. Pega CRM is best suited for buyers that want to strengthen their ability to support rules-based customer service, marketing, and sales processes.

Strong Performers

- **CDC Software's Pivotal CRM offers flexibility to support unique business practices.** Pivotal CRM's solution strategy revolves around business agility. By basing implementation on industry best practices and facilitating the flexibility to tailor those practices to customer needs, Pivotal CRM allows customers to quickly respond to changes in business environment. Pivotal CRM offers a strong architecture and platform and strong internationalization capabilities. It also

has strong sales, customer data management, and usability functionality. Compared with other CRM vendors, it offers strong support for mobile CRM. Its marketing and business intelligence capabilities are sound.

However, the solution does not have robust support for partner channel management, customer service, field service, or eCommerce. While it does not generally offer industry-specific versions, it does have notable strength in the financial services sector. Pivotal CRM has a road map for future development that features mostly incremental improvements, but it is a well-priced offering with a strong value proposition compared with other CRM solutions. Pivotal CRM is best suited for organizations that need a user experience highly tailored to their own unique best practices to promote strong solution adoption.

- **Sage SalesLogix is proven and user friendly.** Although Sage SalesLogix targets midmarket organizations of fewer than 1,000 users, its approach to CRM is guided by both small and medium-size business (SMB)- and large-organization-focused models of customer interaction. As a result, the software's strong point is usability, with users receiving a consistent experience across multiple platforms (online, offline, and mobile) and multiple deployment options (on-premises, cloud, and hosted). The product boasts a relatively large customer and user base among midmarket companies, meaning that it is mature and tested. Sage SalesLogix also boasts strong sales functionality and a strong architecture and platform. Compared with other CRM vendors, it offers very strong support for mobile CRM. It falls short in the areas of business intelligence, marketing, customer data management, customer service, field service, partner channel management, and eCommerce. It does not offer industry-specific versions.

The Sage SalesLogix product road map promises modest but continued improvements for the future. It offers a strong price/cost proposition compared with other, more functionally complex CRM solutions. SalesLogix is best suited for organizations with a tight budget that are focused on sales force automation and that value the solution's strong usability features and choice of deployment options.

- **NetSuite CRM+ stands out with data integration and eCommerce capabilities.** NetSuite's SaaS solution helps its customers achieve a 360-degree customer view through its emphasis on front- and back-office integration and a focus on personalization and customization without constraints. The company has achieved success as a result of cloud solutions' increasing popularity. NetSuite targets its solution toward midsize organizations, and its product's functionality spans ERP, accounting, and eCommerce as well as CRM. Key CRM strengths include sales force automation and relatively fast time-to-value. It provides sound support for marketing, analytics, and customer data management. It also offers strong usability and a modern architecture and platform. The product is a SaaS solution, making hardware, software, and implementation costs comparatively low.

The product also offers only limited support for several important CRM functionality areas such as customer service, field service, and partner relationship management. Compared with other CRM vendors, it offers weak support for mobile CRM. It lacks industry-specific solutions but specifically targets several vertical markets, including wholesale/distribution, software, professional services, eCommerce, IT VARs, media and publishing, and, more recently, manufacturers. NetSuite 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.

- **SugarCRM proves that open source is a viable approach for CRM.** SugarCRM offers open source CRM, allowing firms to leverage free code to manage basic sales, service, and marketing activities. SugarCRM's Professional CRM and Enterprise CRM editions are available for a fee. The vendor offers the application via SaaS and on-premises deployments. Key strengths of the SugarCRM Enterprise Edition include low application and implementation costs and strong internationalization support, usability, and sales functionality. Compared with other CRM vendors, SugarCRM offers sound support for mobile CRM. Additionally, because it is based on open source technologies, the technical skill sets required to support the application tend to be more widely available than the specially trained developers needed for other CRM solutions, thereby lowering resource support costs. SugarCRM is emerging on the radar screen as a viable option for larger organizations. During 2011, SugarCRM made a number of announcements about its increasingly deeper alliance with IBM and will spotlight the product as the primary sales force automation solution within IBM's CRM portfolio.

A key weakness of the solution, however, is that it provides very limited support for the broader range of CRM capabilities, including analytics, customer data management, partner channel management, eCommerce, and field service. Additionally, the product does not provide industry-specific business process support, so buyers with strong industry-vertical needs will need to build out functionality through custom development. SugarCRM provides a sound, low-cost choice for organizations that want deep customization flexibility in a packaged CRM application.

- **Sage CRM offers quick time-to-value and integration with Sage back-office products.** Sage CRM is part of the Sage family of CRM products, which also includes Act and Sage SalesLogix. Sage CRM is targeted at midsize and small organizations, but larger organizations also consider the solution in buying cycles. Sage CRM's priorities are to offer ease of use, speed of deployment, flexibility, and business integration. The company's intent is to push forward the boundaries of CRM in a number of trending areas such as cloud services, consumerization, mobility, analytics, and business process optimization. The solution's primary strengths include a low price tag, strong usability, and quick time-to-value. The solution offers strong sales and sound marketing functionality. In addition, the product integrates well with other Sage back-office software products such as Peachtree and Sage ERP. Sage CRM is available as an on-premises solution and as a SaaS solution at SageCRM.com. Some customers also elect to have their business partners host the product for them.

Key drawbacks include limited capabilities for eCommerce, industry-specific business process support, customer service, and field service. In addition, the product lacks robust support for partner channel management and analytics capabilities. Compared with other CRM vendors, it offers weak support for mobile CRM. Sage CRM is a good fit for midmarket organizations as well as for larger organizations that already use other Sage back-office products and have limited technology budgets yet require a solution that offers multiple deployment options with strong sales functionality.

- **Sword Ciboodle offers flexible, service-centric customer interaction management.** Sword Ciboodle continues to focus on the intersection of business process modeling with customer service. The company targets organizations with complex and multichannel operations that value the vendor's personalized approach to its solution and support in cases where turn-key CRM packages can't meet specialized requirements and that therefore require a platform to integrate rather than replicate or replace existing investments. Industries including insurers, utilities, banks, and communications firms are high on Ciboodle's target customer list.

The solution's value proposition rests upon the Sword Ciboodle Process Platform to support enterprise-scale organizational agility. The product provides strong support for customer service but generally less-robust support for other functional areas of CRM such as sales, marketing field service, analytics, and customer data management. Compared with other CRM vendors, Sword Ciboodle offers weak support for mobile CRM. The solution's price/cost proposition is sound compared with other CRM solutions, but the company has a limited scope of planned future product enhancements. The solution does not offer a SaaS deployment option or industry-vertical solutions. Sword Ciboodle is a good fit for buyers looking for a vendor that can bring business process acumen to solve customer-service-centric CRM challenges.

- **Oracle E-Business Suite (EBS) CRM's strengths are field service and integration.** Oracle EBS CRM incorporates a set of applications, including information-driven sales, service, and marketing. Oracle's vision for growing EBS in the CRM sector is to focus on serving customers that desire the simplicity and lower total cost of ownership of a suite of front- and back-office applications that improves data quality and allows all business units to draw from the same source of data. As such, the EBS CRM solution provides strong capabilities across all major CRM functionalities. It offers very strong capabilities to support sales and field service and can scale for global deployments. It also has strong business intelligence and customer data management capabilities. The solution offers on-premises and hosted deployment options, but it does not offer a SaaS deployment alternative. The solution provides sound support for some industry-specific CRM business processes in the manufacturing, high-tech, and retail sectors. In early 2011, Oracle acquired ATG, which positions Oracle to offer customers a more complete lineup of cross-channel CRM, retail, and eCommerce applications to enable unified marketing, merchandising, service and order management, and supply chain management.

Compared with other CRM vendors, Oracle EBS CRM offers sound support for mobile CRM. Its cost and lengthy implementation cycles can be drawbacks. Oracle EBS CRM best suits buyers that, to achieve economies from working with one vendor, are committed to Oracle for platforms and applications as well as organizations that require comprehensive multinational capabilities.

Contenders

- **Oracle PeopleSoft CRM meets needs in select markets.** Oracle's PeopleSoft Enterprise CRM product line has a significant base of loyal customers that value the integration benefits and usability of PeopleSoft's HR and ERP suite. Oracle's vision for PeopleSoft products is to help customers join together business processes and to extend investment in the PeopleSoft platform through integration with Oracle applications and technologies. It targets buyers that prefer to purchase integrated solutions from a single vendor. It features service-oriented architecture (SOA) for standards-based messaging to ease integration and lower costs. Oracle's PeopleSoft Enterprise CRM solution offers a solid and broad range of functionality across all the major components of CRM, with particular strengths in sales, marketing, customer service, analytics, and customer data management. The product has less-robust capabilities in the area of eCommerce. The solution does not offer a SaaS deployment option. It offers support for mobile CRM via partner integrations.

Oracle's future investment in PeopleSoft's CRM functionality is primarily limited to targeting several selected industries and use cases. Specifically, it provides very strong support for the public sector, particularly higher education — a focus of investment through the Campus Solutions portfolio. It also has a focus on HR service delivery into the existing PeopleSoft HCM installed base. As such, Oracle PeopleSoft CRM has developed solutions to apply CRM-type capabilities to support the needs of HR departments. It helps customers optimize HR service delivery with the HelpDesk for Human Resources and Workforce Communications products. PeopleSoft Enterprise CRM is best suited for existing PeopleSoft customers that need a broad-based CRM platform to build upon and that seek economies through working with a single vendor's platform.

- **Maximizer CRM is well priced and quick to deploy.** Maximizer Software continues to demonstrate its abilities in supporting small and midsize organizations' CRM requirements, and larger organizations sometimes consider it as well. It has one of the largest customer bases in the midsize and small enterprise sectors. The product's primary strengths include usability, sales force automation, and mobile capabilities. Maximizer CRM is competitively priced and offers fast time-to-value for an on-premises solution; deployment time frames range from a few days to a few weeks. However, the product falls short in industry-specific business process support, field service, and partner relationship management.

The vendor offers on-premises deployment, and its partners offer hosting options. Partners typically bundle together other solutions and host the whole package for customers. Maximizer CRM is appropriate for smaller firms and divisions of large organizations seeking an on-premises CRM suite application with a low price tag.

■ **FrontRange Solutions' GoldMine Enterprise Edition (GMEE) supports basic needs.**

FrontRange's GoldMine has a sizable installed base and a long history of serving small and midmarket organizations, but the GMEE product, the most full-featured product, has a much smaller customer base. Strengths of the GoldMine enterprise product include its sound sales force automation functionality, relatively low cost, and modern architecture and platform. It offers the basic sales and contact management capabilities that organizations seek in a CRM solution. In addition, FrontRange offers the product in both hosted on-premises and traditional on-premises deployment modes, with plans for a SaaS offering in 2012. On the down side, however, the product lacks partner relationship management capabilities and offers very weak support for industry-specific business processes, eCommerce, field service, and built-in analytics. It also lacks support for mobile devices.

FrontRange has been investing to steadily strengthen its diverse portfolio of CRM-type solution offerings, particularly for customer service. The product portfolio available as of 2011 is: GoldMine Enterprise Edition v6 (focused on sales and marketing), Customer Service Management v6 (focused on customer service and support and voice-enabled customer service management for call centers), GoldMine Premium Edition v9 (encompassing marketing, sales, and customer service), and GoldMine Mobile Edition. FrontRange GMEE is a product best suited for midmarket and small organizations that seek a traditional sales or service solution at a low cost and that value the large customer base of the heritage GoldMine product as an indication of the product's strength.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 4 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings. Because Oracle chose not to provide full information for four of its CRM solutions (Oracle CRM On Demand, Oracle E-Business Suite CRM, Oracle PeopleSoft Enterprise CRM, and Oracle Siebel CRM), we have not included a detailed spreadsheet summarizing its products in the Forrester Wave tool associated with this document.

Data Sources Used In This Forrester Wave

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.

Survey Methodology

Forrester's Forrsights Software Survey, Q4 2011 was fielded to 2,438 IT executives and technology decision-makers located in Canada, France, Germany, the UK, and the US from small and medium-size business (SMB) and enterprise companies with two or more employees. This survey is part of Forrester's Forrsights for Business Technology and was fielded during November 2011 and December 2011. LinkedIn Research Network fielded this survey online on behalf of Forrester. We have provided exact sample sizes in this report on a question-by-question basis.

Each calendar year, Forrester's Forrsights for Business Technology fields business-to-business technology studies in more than 17 countries spanning North America, Latin America, Europe, and developed and emerging Asia. For quality control, we carefully screen respondents according to job title and function. Forrester's Forrsights for Business Technology ensures that the final survey population contains only those [with significant involvement in the planning, funding, and purchasing of IT products and services | who use a PC or smartphone at work for at least 1 hour per day | with direct oversight of their team's or group's budget]. Additionally, we set quotas for company size (number of employees) and [industry | job function] as a means of controlling the data distribution [and establishing alignment with IT spend calculated by Forrester analysts]. Forrsights uses only superior data sources and advanced data-cleaning techniques to ensure the highest data quality.

We have illustrated only a portion of survey results in this document. To inquire about receiving full data results for an additional fee, please contact Forrsights@forrester.com or your Forrester account manager.

ENDNOTES

- ¹ Executives in customer-obsessed companies must pull budget dollars from areas that traditionally created dominance — brand advertising, distribution lockup, mergers for scale, and supplier relationships — and invest in four priority areas: 1) real-time customer intelligence; 2) customer experience and customer service; 3) sales channels that deliver customer intelligence; and 4) useful content and interactive marketing. Those that master the customer data flow and improve frontline customer staff will have the edge. See the June 6, 2011, “[Competitive Strategy In The Age Of The Customer](#)” report.
- ² The social web phenomenon — which Forrester calls social computing — forces business process professionals to expand their thinking about how their companies can and should engage with customers. Compounding this challenge, a confusing flood of new terms and acronyms now spills forth from pundits, offering new definitions of CRM. See the March 2, 2011, “[Defining Social CRM](#)” report.
- ³ Forrester published a report describing 13 important trends you need to take into account when formulating your CRM plans in 2012. It also contains Forrester’s customer relationship management trend impact analysis framework, which will help you pinpoint the key steps you need to take to make your plans bulletproof. See the February 16, 2012, “[Navigate The Future Of CRM](#)” report.
- ⁴ Companies are waking up to the fact that customers’ perceptions have a profound impact on business metrics ranging from brand equity and customer loyalty to increased revenue and cost savings. But while every executive knows that customers matter, most companies simply don’t approach their interactions with customers in a disciplined way. Lip service won’t cut it anymore. For businesses to succeed, they need to get serious about the way they define, implement, and manage the customer experience. See the October 4, 2011, “[Why Customer Experience? Why Now?](#)” report.

For more information on how define a customer experience strategy, see the October 25, 2011, “[Customer Experience Strategy Best Practices](#)” report.
- ⁵ To excel at customer experience, organizations must routinely perform the practices required to design, implement, and manage customer experience in a disciplined way. Forrester scanned its 13 years of customer experience research and created a framework that outlines 40 essential practices across six disciplines: customer understanding, measurement, governance, strategy, design, and culture. See the June 14, 2012, “[Customer Experience Maturity Defined](#)” report.
- ⁶ For more information on the customer experience ecosystem, see the June 22, 2011, “[The Customer Experience Ecosystem](#)” report.
- ⁷ Traditional CRM solutions have great strengths in supporting data-intensive operational customer processes, but they lack the ability to support personalized communications across digital channels. Forrester sees the emergence of CXM solutions to support multichannel digital consumer interactions. See the September 22, 2011, “[Solutions Converge To Support Multichannel Customer Interactions](#)” report.

- ⁸ Marketing and sales processes can also suffer from a lack of process discipline. That's because these processes are semi-automated at best — leaving content and collaboration unaddressed — or have many completely manual steps. See the February 16, 2012, "[Navigate The Future Of CRM](#)" report.
- ⁹ Corporate focus on enterprise mobility initiatives is evident from the high priority many firms place on supporting a range of mobile device and application initiatives in 2010. Most enterprises are not standardizing on one type of mobile device or operating system. In fact, more than 50% of surveyed enterprises support more than one mobile device operating system, and 25% of firms support three or more mobile device operating systems. For insight into other factors driving the fragmented mobile device and application environment in corporations, see the October 28, 2010, "[Managing Mobile Complexity](#)" report.

The professional services organizations we spoke with that implement mobile CRM solutions share this opinion. See the August 22, 2011, "[Best Practices: The Right Way To Implement Mobile CRM](#)" report.

- ¹⁰ For more information about social CRM, see the March 2, 2011, "[Defining Social CRM](#)" report.
- For summaries of the social computing best practices exemplified by the Forrester Groundswell winners, see "Forrester Groundswell Awards 2011," the *Empowered* website (http://groundswelldiscussion.com/groundswell/awards2011/entry_form.php).
- ¹¹ At extreme scale, traditional data management and BI become impractical, and your business does not get what it demands — more insight to drive greater business performance. Big data helps firms work with extremes to deliver value from data cost-effectively. However, CIOs must understand that this is not business as usual. In fact, big data will disrupt the data management landscape by changing fundamental notions about data governance and IT delivery. See the September 30, 2011, "[Expand Your Digital Horizon With Big Data](#)" report.
- ¹² For more information about adoption of Agile development methods, see the January 20, 2010, "[Agile Development: Mainstream Adoption Has Changed Agility](#)" report.
- Software-as-a-service (SaaS) contracting has become more important to organizations. See the September 13, 2011, "[Inquiry Spotlight: SaaS Pricing And Contracting, Q3 2011](#)" report.
- ¹³ For a more-detailed description of VoC best practices, see the December 8, 2011, "[Major Voice Of The Customer Trends, 2011](#)" report.
- ¹⁴ Source: Marshall Lager, "The 2011 Year in Review — A CRM Recap," CRMsearch.com (<http://www.crmsearch.com/2011review.php>).

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