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Investing in a Customer Relationship Management System

Case: Esa Print OY

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The purpose of this thesis is to examine how Customer Relationship Management (CRM) systems are involved in organization's sales process and investigates how adopting them benefits these sales processes and business in general. In addition the intention of this thesis is to investigate if CRM systems would benefit a Finnish printing company Esa Print and whether it should invest in one. Esa Print's main focus of business concentrates on printed marketing materials and books as well as the offers 3D modelling and video marketing services and it is Finland´s fifth largest printing house with markets are spread all over the country. The purpose of this thesis is to give an insight for Esa Print about CRM systems and give recommendations based on previous user-experiences.

The literature part concentrates on CRM and CRM systems, how these support the sales process and the business. In order to understand the purpose of these systems the author of this thesis wanted to include the sales process and funnel to the literature review. The literature review is the basis for the methodology part. The definition of the sales funnel refers to the process where companies lead the customer through different stages to achieve a sale. There are different approaches towards the sales funnel so the author of this thesis decided to concentrate on a model made by Kotler and Armstrong.

The methodology part consists of qualitative research and in-depth interviews with Esa Prints Key Account Director and two CRM software experts. The qualitative data together with theory are used to give Esa Print an insight to things they need to consider before investing in CRM system. The conducted research was able to identify Esa Print's organizational needs. For Esa Print to be able to transfer knowledge within the organization, store valuable customer information and bring efficiency to the sales process it is recommended they consider investing in a CRM system. Guidance on how to make this investment a success have been given in the Conclusions and Recommendations –section.

Keywords	Customer Relationship Management (CRM), CRM system, Sales process, Sales funnel, Personal selling, Sales organization,

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Appendix

1 INTRODUCTION

The intention of this thesis is to help and guide a Finnish printing company Esa Print to invest in a customer relationship management (CRM) system. Also the main purpose of this thesis is to improve Esa Prints awareness towards these CRM systems and give a deeper insight how these systems could benefit their sales organization.

Esa Print is one of the Finland´s fifth largest media and press houses and is based in the city of Lahti. Their products range from printed marketing materials to books and catalogues, which are mostly ordered by businesses and organizations. At the time the company is going through big changes because of an acquisition that Esa Print was part of so the whole organization is in a transition stage towards a new operation model.

In order for the author of this thesis to give Esa Print comprehensive and proper guidance, the author researched literature about the customer relationship management and about the systems developed for this purpose. Also literature of sales process was included to the thesis in order to the reader to understand the relation between a sales process and CRM system. The qualitative research consist of three in-depth interviews in order for the reader understand the current situation of Esa Print and to gain expertized knowledge of CRM systems from two CRM experts. The thesis ends to conclusion and recommendations section where the author of this thesis gives his own recommendations for Esa Print.

2 LITERATURE REVIEW

The intention of this literature review is to cover terms, theories and concepts that will support Esa Print´s decision making to invest in customer relationship management system.

The main focus of this literature review is to give a deeper insight to customer relationship management systems and how these systems can help the sales organizations of different companies.

The review starts with introduction to the nature of selling and to a traditional sales process. After this the attention is focused on customer relations ship management and on the systems build around of it. The end part of the review focuses on the benefits and challenges of these systems.

2.1 Nature of Selling

The easiest way to thinking of the nature of selling is that its function is to make a sale. Selling is responding to the customer’s needs and wants by offering a product or a service in the exchange of money, service or capital. The selling process is often a very complex process, which consists of several different steps and tasks that usually need to be fulfilled before the sale is closed (Jobber & Lancaster 2009: 4). The salespersons involved in this process are often referred as problem solvers and consultants, who try to identify and satisfy the needs of the customer (Jobber & Lancaster 2009: 7).

2.2 Personal Selling

According to Kotler and Armstrong (2008: 452) personal selling is one of the oldest professions in the world. People have been selling and trading their ideas and goods already from the birth of humankind. Nowadays the people who do the selling are mostly called salespersons or representatives but the list of names that refer to the same profession is very long. In business life the same profession go by many names: salesperson, district manager, sales engineer, agent, and account executive to name just a few (Kotler & Armstrong 2008: 452).

Today, most salespersons are well-educated and trained professionals, whose job is to be a link between the company and the customer. Their tasks can vary a lot from implementing a sales strategy to negotiating the final price. According to Kotler and Armstong (2008: 453) the salesperson should understand the concept of selling but also the concept of buying in order to understand the needs of the customer.

2.3 Sales Process

Sales process is a systematic approach involving a series of steps that are designed to lead the sales representative in to a goal, which in this case is a sale. Usually every business has their own well-planned sales process, which is developed to guide and support the sales force in day-to-day sales activities. Also the "systematic steps" of the process helps the business to retain customers and increase sales volumes (Dvorak, n.d.).

The sales process can be also defined as sales funnel or pipeline where the prospective customers are placed on the top of the funnel. The funnel consists of several stages, which purpose is to convert the prospective customers into paying ones. As the customer proceeds from stage to stage, the narrower the funnel will get. If the journey through all of the stages has been successful, the result should be a sale.

In most cases the sales process consists of seven different stages that the sales representative tries to follow. The figure below demonstrates the seven steps of the sales funnel.

Figure 1: Seven step sales process model (Kotler & Armstrong 2008: 466)

According to Kotler and Armstrong (2008: 466) the seven stages are: prospecting & qualifying, preapproach, approach, presentation & demonstration, handling objections, closing, and the follow-up. All of the steps will be discussed more deeply in the Sales funnel section (2.5).

2.4 Business to business (B2B) markets

To understand the sales process better, it is good to explain the business to business (B2B) market before going through the sales funnel. Esa Print Oy is selling its products and services straight to other businesses so the company is only concentrating on the B2B markets. The volume and the quantities are usually much more bigger in the B2B markets than in the business to consumer (B2C) markets.

The sellers and buyers in the B2B markets are usually both professionals, whose objective is to negotiate a deal that will benefit their company as much as possible. As Jobber and Lancaster states: “Business to business (B2B) markets are characterised by often large and powerful buyers, purchasing predominantly for the furtherance of organisational objectives and in an organisational context using skilled/professional buyers” (2009: 11).

Business to business markets is usually defined to be more based on long-term relationships and purchases than the B2C markets. The reason for this is that the buying process is usually more complex and time consuming, so the relationship and communication between the two parties needs to be on a good level (Haque & Harrison n.d.). Usually the sales representatives first task is to establish and build a relationship strategy to maintain and develop the bond with the buyer. According to Manning, Reece and Ahearne (2009: 13) this type of relationship strategies are essential for success in today’s marketplace because the competition is vigorous.

2.5 Sales Funnel

The definition of the sales funnel (also know as sales process or sales pipeline) refers to the process where companies lead the customer through different stages to achieve a sale. There are different approaches towards the sales funnel so the author of this thesis decided to concentrate on a model made by Kotler and Armstrong (2008: 466).
The Kotler and Armstrong’s model consists of seven stages that are explained in the following subsections.

2.5.1 Prospecting

The first step in the sales funnel is called prospecting and qualifying stage, where the salespersons task is to identify the qualified potential customers. The most important task in this stage is to approach the right type of potential customers because it is the key to selling success (Kotler and Armstrong 2008: 466). Usually sales representatives qualify their prospects by looking at their needs, size of the business, location and financial resources to purchase (Manning et al. 2009: 193).

Finding a prospect that meets the qualification criteria established by your company might not be as easy as it sounds (Manning et al. 2009: 180). For example, in B2B sales it might be hard for the sales representative to find new prospects because the market is too small or the sales person is too busy with his existing customers.

According to Manning, Reece and Ahearne (2009: 181) the prospecting process requires lot of planning to make it effective. Nowadays the marketplace is changing and moving all the time so the prospecting plans need to be monitored continuously. For sales representatives usually the best sources of leads are referrals such as satisfied customers, business acquaintances, suppliers and dealers. Other useful sources could be Web sites and other social networks, trade publications, directories, seminars, trade shows, and computerized databases (Manning et al. 2009: 183; Kotler and Armstrong 2008: 466).

By telemarketing and sending sales letters via Email & mail can be also effective way to find potential prospects. For example, sending sales latters to big groups of companies might help finding potential prospects. Even though there is many ways to find potential prospects, Manning et al. (2009: 183) contends that in most cases the referral leads result in higher close rates and shorter sales cycles than the other type of leads.

2.5.2 Pre-approach

Before contacting the potential prospect, the sales representative should learn as much as possible about the organization and its buyers, and also gather important information about the company and its current clients (Kotler & Armstrong 2008: 466). For example, by knowing the needs and the characteristics of the buyer can help you to choose the right type of approach and timing of it.

Also if the salesperson has gathered enough information about the company and its needs, the representative can in advance try to solve problems or issues that might arise during the first approach (Jobber & Lancaster 2009: 235). According to Manning et al. (2009: 211) it is important to create a presale presentation plan and also establish the objectives of the sale. It is good to write down all of the points and questions that the salesperson wants to go through during the first approach.

2.5.3 Approach

After careful preparation, it is time to communicate with the prospect. According to Manning et al. (2009: 215) the main objective of the approach stage is to attract the buyer's full attention and curiosity towards your product. During the approach stage it is important to get the relationship off to a good start.

There is various ways to approach the prospect (personal visit, a phone call, Email…) but the most common and effective way is to call them. It is important to call straight to the decision-maker so you don't need to waste time arguing with a gatekeeper (a person between the salesperson and the decision-maker) who doesn't even make the purchasing decision. (The Best Way to Shorten the Sales Cycle, 2015).

If you have been successful and reached the right person, the opening lines of your call should be positive to build goodwill already from the beginning of your relationship (Kotler & Armstrong 2008: 467). Also listening to the customer during the phone call is crucial as it is in all stages of the funnel.

The main purpose of the call is to introduce yourself, the product and also to schedule an appointment where you can present your solution to the problem face-to-face. According to Manning et al. (2009: 218) it is important to state the purpose of your call and explain how the prospect can benefit from the meeting. Planning in advance what you will say during the call helps you to cover the objectives of the call.

A telephone call is the fastest and most efficient way to arrange an appointment (Manning et al. 2009: 217). Scheduling a meeting beforehand is almost a necessity because nowadays many of the busy prospects are not willing to meet the sales representatives without an appointment.

2.5.4 Presentation

If the sales person has been able to arrange an appointment with the customer in the Approach stage, the next step in the sales funnel will be the presentation and demonstration stage. In this stage, the main task of the sales person is to present how the product will benefit the customer and solve their problems (Kotler & Armstrong 2008: 467).

According to Jobber & Lancaster (2009: 237) it is very important that the sales person has prepared himself and the actual presentation for the appointment. The preparation and planning of the presentation should start early enough so that the representative has time to customize and modify the presentation to meet the needs of the customer. If the preparation has been done carefully, it is more likely that the salesperson won't forget any important information from the presentation (Jobber & Lancaster 2009: 237).

Before going through the presentation with the customer, it is important to discuss and identify the needs and the problems of the buyer (Jobber & Lancaster 2009: 254). The easiest way to discover the needs and the problems of the customer is to make a need analysis and to establish a two-way conversation by asking open-ended questions (Jobber & Lancaster 2009: 252).

Listening to the customer's responses is crucial when making the analysis. The reason for using open-ended questions is to avoid one-word or one-phrase answers that lead to an abrupt type of conversation, which lacks of flow. A need analysis is a great tool to discover problems that the customer might not have even realized existed (Manning et al. 2009: 237).

Once the problems and needs of the buyer has been identified, the next task is to present a carefully prepared presentation. The presentation should be prepared so that it is coherent and looks like it has been done especially for the customer. With the help of visuals, the representative has now the opportunity to convince the buyer that they can supply a solution, and also prove that this solution will benefit them (Jobber & Lancaster 2009: 254).

According to Kotler and Armstrong (2008: 467) concrete results and evidence should be included to the presentation to win the buyers attention and trust. A well-planned and well-executed demonstration is also a good way to prove the benefits of the product (Jobber & Lancaster 2009: 256).

2.5.5 Handling Objections & Negotiations

Kotler and Armstrong (2008: 468) state that the customer has almost always objections during or after the presentation. The next stage for the sales representative is to handle the objections and try to take objections as opportunities to provide more information, and turn the objections into reasons for buying. The objections are often unspoken, so the salesperson usually needs to seek for the hidden objections that might be either psychological or logical.

A good way to find the objections is to approach the customer with a positive attitude and to ask the buyer to clarify the problems (Kotler & Armstrong 2008: 468). According to Manning et al. (2009: 286) the objections are often a request for the sales person to give additional information to justify the buying decision. The sales representative task is to seek for the real source of hesitation and clarify what type of information the customer is seeking for.

The five most common concerns of the buyer are usually related to: need, the product, source, time and price (Manning et al. 2009: 287). The sales representative should have the ability to understand the problem but also the skill to create alternative solutions. This comes to a point where the sales person needs to have extremely good negotiation and problem solving skills. In Manning et al. (2009: 282) opinion the ability to negotiate problems or objections is one of the most effective ways to create value for the customer.

The main purpose of the negotiation process is to find a solution that will benefit both parties. In this case, the sales representative should work to reach an agreement that is mutually satisfactory to the buyer and the seller (Manning et al. 2009: 282). According to Manning et al. (2009: 282-283) negotiation may enter to the sales process in all of the stages, but usually the most important negotiations will take part after the presentation stage.

Professional buyers are usually well-trained negotiators who use multiple techniques during the negotiations to ensure the best benefits for their company (Jobber & Lancaster 2009: 266-267). Because of this, the sales representative needs to own great negotiation skills and prepare an effective negotiation plan to be successful. If the sales representative has spent time before the meeting to define the desired objections and developed a negotiation plan how to respond to the buyer's tricky arguments, it is more common that the result will be better than without any preparation or plan (Preston, 2009).

2.5.6 Closing

At the end of the sales funnel, every sales persons aim is to of course make a sale. The stage where the sale is most usually made is called the closing stage. Kotler and Armstrong (2008: 468) define the closing stage in the sales funnel as the step where the sales person requests the customer for an order to close the deal.

The closing stage is one of the most important stages of the sales funnel because it is the actual point where the sales person makes the actions to gain the agreement for the sale. In this stage, the sales representatives main task is to recognize and search for signals that might lead the sales person to a point where it is appropriate to ask for an order (Manning et al. 2009: 307-308).

According to Jobber and Lancaster (2009: 268) the timing of the closing attempt is crucial because the purchase intentions might fall and rise through out the funnel. For example it is more likely for the buyer to make the purchasing decision during a part where the buyers needs has been fulfilled than in the part where the objections have not been repealed. Jobber and Lancaster (2009: 268) state that the sales representative should be focused and prepared to close the sale even if the sales presentation is incomplete.

There has been established many different kind of closing techniques but usually the easiest way to close a sale is to first build a relationship based on trust and commitment (Manning et al. 2009: 302). This way the buyer feels more relaxed and comfortable with the situation even though the price or the size of the deal might frighten the buyer. When the relationship is on a good level it is also easier for the seller to ask for the order and to offer reasons to make the purchase.

Closing a sale might sometimes be hard and complex for some sales persons because they might fear of getting rejected. Because of the fear they might try to avoid closing the sale and give a great opportunity to the buyer to escape from the situation. According to Jobber and Lancaster (2009: 267) the sales person should not be afraid of closing the sale and accept the fact that some buyers will respond inevitably negatively to the offer.

Manning et al. (2009: 315-316) state that high-performance salespeople learn to manage disappointment and the best way to handle rejection is to take it as an opportunity or a challenge to develop for the future sales. By doing some analysis of what went wrong can help to identify the areas that need to be improved.

Closing the sale isn't always easy for all persons but once the order is signed it can be a beginning for a long and satisfying partnership. According to Manning et al. (2009: 325) the first sale is usually only the beginning of the partnership and gives an extremely valuable opportunity to repeat the sale. To ensure that the buyer is satisfied and ready to purchase also in the future, the sales representative needs to service the existing sale and start to build their partnership. This will be discussed more deeply in the next subsection.

2.5.7 Follow-up and Servicing the Sale

Last step in the sales funnel is called the follow-up stage. As explained earlier, the last step in the process is necessary if the sales person wants to ensure customer satisfaction and repeat business. Right after closing, the sales representative should complete the details on delivery time, purchase terms, and other matters that might be still unclear for the buyer (Kotler & Armstrong 2008: 468).

After the details are clear for both parties, the next step is to make a follow-up call or a visit to the buyer's facilities when the initial order is received to make sure there are proper installation, instruction, and servicing. The follow-up call can also be used to reassure the buyer that the purchase was the right one and everything concerning the order is under control (Jobber & Lancaster 2009: 271). Manning et al. (2009: 331) state that follow-up calls or visits are a great way to prevent post sale problems and to measure customer satisfaction.

By doing continuous account reviews and customer satisfaction surveys the sales representative can determine the buyer's level of satisfaction and immediately act if a problem has appeared (Manning et al. 2009: 331). By keeping the customer satisfied, the sales person can prevent competitors from stealing the customer and gain opportunities to sell more or offer aftersales services. For example, by maintaining the level of customer satisfaction high, it is harder for the competitors to enter the race.

2.6 Customer Relationship Management

Customer relationship management (CRM) is a term for methodologies, technologies and e-commerce capabilities used by firms to manage and maintain customer relationships (Jobber & Lancaster 2009: 361). Its main function is to integrate people, process and technology to maximize relationships with the clients. Modern CRM systems and programs rely on a variety of technologies to improve communications and sales efficiency in all size of companies and organizations. These technologies also assist enterprises in customer retention and to compile information on customers across different channels (Rouse 2014).

According to Goldenberg (2008: xiii) past few decades industries and companies have grown more sophisticated, technology has become faster and more efficient, companies have gone global, and people need information and answers in real time to overcome objectives. Nowadays companies are dealing with customers who are more connected, more informed, more impulsive, and impatient than ever before. This is why enterprises today are learning how to be more responsive to their customers.

Sales representatives need to collect and search for valuable data through out different channels in order keep up with their work and customers, so the trouble nowadays is that the information is usually scattered widely across the organization and employees. To solve this kind of problems, many companies are turning to CRM software's to manage detailed information about individual customers in order to compile all information into one centralised database (Kotler & Armstrong 2008: 112). According to Jobber and Lancaster (2009: 361) the basic principle behind CRM is that company personnel should have a single customer view of each client and the information concerning the client should be easily accessible.

2.6.1 Customer Relationship Management Systems

Nowadays, most of the companies and enterprises operate in highly competitive markets where companies try to cut their costs to minimum and concentrate on the effiency of their employees. So companies are continuously searching for new processes and technologies that can help them to cost-effectively achieve long-term differentiation (Goldenberg 2008: 187).

The three primary reasons why organizations nowadays decide to automate their sales, marketing, and customer service functions are the high cost of direct sales, increased global competition, and need for information (Goldenberg 2008: 3-4). Companies try to decrease rising sales costs by making the sales force more effective and productive. Well-implemented CRM software can help the company to solve this problem but the most important thing to remember is that the software is only a tool, not a solution (Rigby, Reichheld & Schefter 2002).

According to Vogt (2008: 12) a successfully implemented and elaborated CRM system can:

- Increase efficiency due to a better organization of the customer interfaces
- Improve the customer knowledge
- Win new customers due to an increased understanding of the customers´ requirements
- Improve image through customer satisfaction

Vogt (2008: 12) also argues that investing in a CRM system could help the company to increase its performance but however it doesn't guarantee that the investment would increase the business result. One of the most common assumptions is that the CRM software will automatically manage the customer relationships for the company. According to Goldenberg (2008: 21-25) the success of any CRM implementation relies on the seamless integration of three main components: the people, process, and the technology.

First of all, the persons using the software need to be highly motivated and well trained in order to know how to operate the system effectively. Some persons might lack of interest towards the new systems or just have a fear towards changes so it is important to integrate these persons carefully to the new system. This way the barrier to use the software gets lower and the person can more easily notice the benefits of the system. The key factor to the success of CRM systems is that all of the information and data needs to be in one place so it means that the persons and departments who are operating the software needs to be committed to updated and use the software (Goldenberg 2008: 43-45).

The second component that effects to the success of the CRM software is process. According to Goldenberg (2008: 93-98) the success of CRM system depends on the functionality of existing or future business process. In other words, the system doesn't fix or replace an unproductive business process. The main idea of the software is to give tools to support the organizations already existing and effective process. So before investing in CRM software, the company should be sure that their current or future business process is right. Automating an ineffective process can be costly and lead to a CRM system that doesn't work.

The last component in this theory will be the technology. In order to CRM software to function well, all of the existing softwares and data need to be integrated to the new CRM software perfectly (Goldenberg 2008: 209). Also it is important to choose the right applications and features to the CRM software to fit to the companies needs and processes. For example B2B companies might have different needs than B2C because of the larger customer base. Also the size of the company might affect to the number and quality of applications because smaller organizations might only need mid or low-tech solutions (Rigby et al. 2002).

When these all three factors (people, process and technology) are taken into account, it is much more likely that the CRM software will create value and be profitable.

2.6.2 Benefits of CRM Systems

As mentioned earlier the CRM systems or softwares main function is to compile sales/ marketing information on customers across different channels. This information can contain customer names, customer background, customer needs, and buying preferences (Goldenberg 2008: 4). CRM system can also give the sales person detailed information about the customers purchase history, budgets and financial information.

When all of the information is compiled into one database it reduces the workload of the sales person and can improve the productivity of the sales representative because the administrative workload is smaller and it is easier to find the potential buyers from one place (Goldenberg 2008: 4-11). Also if the information is easily accessible and in one place it will help the sales representative to react quickly into inquiries and to serve the customer more efficiently because the information doesn't need to be searched from different places. Most CRM software vendors offer systems that can be operated also with smartphones or portable devices so the information and data is there when ever needed (Salesforce.com).

The other main functions of the software is to record customer interactions (email, phone calls, social media etc.), to automatize various workflow processes (tasks, calendars and alerts), and to give managers the ability to measure and analyse the effectiveness and productivity of the sales with different kind of analytical tools (Rouse 2014).

For example some of the leading CRM software vendors offer tools that can provide fact-based insight into the entire sales process, product demand, customer price sensitivity, and into overall pricing effectiveness (Oracle 2015). These tools might help the company to achieve its sales objectives and goals easier because with the help of analytical data the company can plan and adjust its sales process to become more effective.

Most of the leading CRM software vendors also offer CRM tools with marketing automation capabilities. According to Rouse (2014) these different kinds of tools can automate repetitive tasks to improve marketing efforts to customers at different points in the lifecycle. For example, when new sales prospects are inserted to the system, the software can automatically send marketing materials to the customer via email or social media. This way the system can help the salesperson to try to turn the sales leads into full-fledged customers (Rouse 2014).

Another very common tool the CRM software vendors usually offer is sales force management tool or better know as sales force automation tool. This feature is developed to prevent duplicated efforts between the sales representative and the customer by tracking all contacts and follow-ups between both sides (Rouse 2014). This way the salesperson can easily track that in which stage of the sales funnel the prospect is and try to guide the potential buyer to the next stage of the pipeline. Also the tool helps new sales representatives and employees to jump in to the process because the data and information is easily accessible.

2.6.3 Challenges of CRM Systems

Even though different CRM systems can provide endless amounts of benefits to the user, the systems also have their downsides. Without proper management the CRM system can become a waste yard of forgotten information. Goldenberg (2008: 11) states that staying on track of what is happening in today´s CRM market place has become difficult because of the new software players, new business functional modules, and the new and complex technology alternatives. Companies that don't have previous experience of CRM systems seem struggle to find the simple and user-friendly systems.

According to Rouse (2014) one of the biggest challenges for companies who have invested in CRM systems is to achieve a "single view of the customer," where all available data and information is combined into one interface. Challenges arise when the customer data is gathered from different kind of sources like market researches, old databases and from experiences of different departments. This data can be sometimes out-dated, complicated, and inaccurate which makes things even more complicated.

Goldenberg (2008: 12) has made a list of the most common challenges with CRM systems:

- **Lack of Strategy** – Organizations, which are lacking a strategy that integrates sales, marketing and customer service are often unable to recognize or prioritize the areas that could benefit from the CRM system. In other words, the benefits of the system can only be discovered when a well-implemented strategy is established.
- **Lack of corporate commitment** – CRM systems usually require a corporate commitment from the top to the bottom to be successful. All of the managers and employees involved with the systems need to be fully committed to use and update the system in order to the system to benefit the business. Goldenberg (2008: 12) states that successful CRM initiatives requires in most cases the involvement of different persons but also different departments like IT, marketing, customer service and sales.

- **Internal politics and user resistance** - According to Goldenberg (2008: 21) CRM systems, which task is to support and automate the customer processes, almost always require users to change their way of doing their day-to-day jobs. Older generations and employees who are used to their routines might understandably be resistant towards the system. Also competition between employees might affect the usage of the software because for example some sales persons might not be ready to share their own valuable information with their colleagues (Goldenberg 2008: 12).
- **Lack of training** – One big reason for the resistance of using the software might be also the lack of training. For example if the sales person finds out that the system is too hard to operate, the barrier of usage will increase immediately. According to Goldenberg (2008: 21) gaining user support and training already in the implementation stage of the software will play a major role in the future success of the system. Reasons for companies to neglect the training of their employees might be the fact that the training can consume too much money and time.
- **Lack of know-how** – Companies might not have the required knowledge and personnel to automate their sales, customer service and marketing functions through a CRM system by them self so in most cases the companies need to use the help of expert coming outside of the company. Outsourcing is not always a bad option because it can be more cost-effective way to learn about CRM systems.

Goldenberg (2008: 13) states that organizations that have successfully applied CRM have found that all of these challenges and obstacles can be resolved. Of course the company needs to make extra efforts to overcome the problems but in most cases the extra work pays off in long run.

2.6.4 B2B CRM Systems

As earlier defined in the section (2.4) the volume and the quantities are usually much more bigger in the B2B markets than in the business to consumer (B2C) markets. Also the B2C relationships are of shorter span and the deals are made usually in short time. According to B2B Insights (2013) there are also subtle differences on how a CRM system applies to B2C and B2B conditions.

Even though the CRM system delivers the same functionalities to both B2C and B2B users, the purpose of the system can vary between these two. For example because of the longer relationships in the B2B markets, the software needs to recognize the level of existing relationship between companies. Therefore the CRM system for B2B businesses needs to be personalized and delivered at individual level (B2B Insights: 2013).

Corporate relations are usually more complex than direct b2c relationships because the corporate relationships can be channelled, layered and distributed to different departments and decision makers. This is why the CRM system developed for B2B businesses needs to understand the complex corporate relationship structures and be able to establish meaningful and logical connections between the different channel partners of the corporate (B2B insight: 2013).

In most B2B situations there can be relationships within relationships and accounts with multiple contacts so the CRM system needs to point out the most important decision makers and key persons to influence the business decisions. According to Gillman (2014) most of the biggest CRM system vendors are offering software that can combine different accounts and contacts so that it easy for the user to manage the complicated-looking relationships.

2.6.5 CRM systems in Sales Process

As explained earlier (2.6.1) the main purpose of customer relationship management software is to maintain relationships with new and existing customers in order to build business. CRM softwares these days are much more than simple contact management systems giving the business the ability to manage sales, marketing, accounting, vendor and other types operational data within just one system.

When talking about sales and the process of it, CRM software can be used to find leads, to follow up with prospects and to guide them through the entire sales funnel/pipeline. In addition the system can be used to sustain customer loyalty by storing key information about the customer to boost the sales of the business.

Although there are numerous solutions that can do this for the businesses, the best part of the CRM system is that it is designed to manage these tasks automatically. According to Zoltners, Sinha and Lorimer (2009: 224) the automation of time-consuming tasks has enabled sales force to complete their administrative work faster, which then leaves more time for high-value-added activities and also for the actual customers.

The system can also help the representatives to manage their time more efficiently during the different stages of the sales process, and to compare their customer conversion rates in each stage of the funnel to the benchmarks set by the managers (Zoltners et al. 2009: 226). Also the system can help the sales representatives to profile different customers and their byuing influences, and map different stages of the sales process.

Zoltner et al. (2009: 231) states the following about the abilities of the CRM systems during the sales process: ”the systems track important milestones with customers and prospects, such as lead qualification, initial communication, solution development, customer evaluation, proposal generation, negoation, and delivery.” This systematic tracking of the sales process helps the sales representatives to organize and mobilize their work during the different stages of the funnel.

To take a closer look how CRM system can help the sales representative in different stages of the sales funnel (2.5), the author of this thesis has listed few examples:

- **Lead generation and management**: the system can find new prospects by automatically generating leads from various sources like website visitors, inbound calls, newsletter sign-ups and more. According to Buttle & Makian (2015: 79) the software can also make sure that the leads are routed to the right sales person and these leads are receiving the right amount of attention.
- **Prospect nurturing**: the system can be adjusted to follow up with the leads that it has created with pre-set emails and tasks, or the representative can directly contact them personally.
- **Email marketing**: Another useful feature is the marketing autmation where the CRM system can automatically combine email lists, launch different kind of email-marketing campaigns and also measure the performance of them. The system can also send email reminders to customers and prospects to drive sales and ease the workload of the sales team. For example the system can remind the customer about abandoned carts and suggest products or services

that the customer might be interested in (based on purchase history or surveys).

- **Sales quotes and invoicing**: Another useful feature that most of the CRM systems offer is that the system can create and store sales quotes for individual customers and customer groups. When the customers have made the purchasing decision and are ready to close the deal, the system can automatically turn those quotes into invoices, which are then automatically imported to the accounting department.
- **Order tracking**: The sales representative can quickly and easily access the customers' personal account and get all the necessary information about the order and its delivery time. This way the representative doesn't need to waste time on contacting warehouses or factories to get information about the status of the delivery.
- **Sales forecasting**: the CRM software can automatically project short- and long-term sales potential and opportunity forecasts. This way the sales representative can save lot of time because the person doesn't need to collect the data from several different sources and produce the charts from scratch. Also the analytics tool can help the representative to ensure that the offer is made to the right prospect at the right time and throught the right channel (Buttler & Makian 2015: 81).
- **Performance tracking**: Every sales representative has their own accounts to the system, which allows the sales person to keep track of his or her personal sales numbers, quotas, incentives and other metrics that can help them to reach their goals and benchmarks. The system also allows managers to monitor and supervise the performance of his or her employees.

As mentioned earlier in section (2.6.2) the CRM system can help the sales team and the business to achieve their goals in numerous ways. In overall, the CRM system helps the sales team to paint a clearer picture of the sales process and activities from the very first contact all the way to closing the sale and servicing it (Vogt 2008: 28).

2.6.6 Choosing the right CRM software

One of the biggest challenges for businesses, which are intending to invest in CRM systems, is to find and choose the right software from the endless list of providers. For example there can be big variations between different vendors in the quality of the features, customer support, and the price of the software (Peralta 2015). Choosing the right provider for the system plays a key role in the success of the CRM software.

In worst cases, if the software is too complicated to use or the level of technical support is weak, the users of the software will get easily resistant to use the system. That's why businesses, which are intending to invest in CRM system, need to choose the right vendor and features carefully. For example, by choosing all the possible features available for the system might not only make the software complicated to use but also be extremely expensive. The author of this thesis has made a useful list of basic questions that can be asked from the potential vendors when searching for the right software:

- Which size of business is the software built for?
- Is it easy to use and can the company easily train its employees to operate the software?
- How customizable is the system?
- What kind of features are available to support the company with sales, marketing and other aspects of the business?
- Is the software easy to integrate with the existing softwares that the company already has?
- Is there any kind of limitations for the usage of the software?
- The total cost of the software? Are there any additional/hidden fees that the company needs to be aware of (setup costs, additional users, customer support, etc.)?
- How is the business's and its customers' data protected?
- What type of technical support does the vendor provide and how quickly are they capable to help?

Every business is unique and has their own needs so according to Peralta (2015) the most important thing to do before investing in the software is to determine and plan what the company wants out of the CRM software and what features would be beneficial for the business, now and also in the future. Even though, finding the right software might take lot of time and effort, there is still better chance of making the right decision if the business has done its homework and spend time on evaluating and comparing different vendors.

3 METHODOLOGY

The methodology of this thesis focuses on exploratory and descriptive research aimed to help Esa Print to gain knowledge about CRM systems and also to support their decision making process whether to invest in CRM software or not. The main idea of exploratory research is to provide deeper insight into a given situation and to gain better understanding of it but not to give definite answers or decisions. The objective of descriptive research is to describe the characteristics of various aspects, such as for example the market potential for a product or the demographics and attitudes of consumers who buy the product (Kotler & Armstrong 2006: 122).

The qualitative data was accumulated with in-depth interviews in order to collect information about Esa Print's current customer relationship management and interests towards investing in CRM software. Esa Print's Key Account Director Hannu Riihimäki was interviewed (Appendix 1) first in order to determine their current sales process and to assess their needs to invest in CRM software. The second and third in-depth interview questions (Appendix 2 & 3) were planned from the basis of the literature review to ask relevant questions about the benefits of the systems and challenges of the implementation of the CRM software. Kennet Jokisalo Strategic Key Account Manager of Tori.fi and Jarkko Hellsten ÅF Groups Sales Manager were interviewed because of their extensive knowledge and personal experience of CRM systems. Kennet Jokisalo has been using several different CRM softwares during his career and now he has been named as the head administrator of Tori.fi's CRM software. Jarkko Hellsten is the sales manger of multinational consulting group called ÅF and he has also a long experience working with CRM systems and is also part of their companies CRM systems administrator group.

To get effective responses from the participants, the interviewer decided to ask open-ended questions and give the interviewees enough time to think about their answers. By using open-ended questions the respondents had better opportunity to give a meaningful answer about their knowledge and feelings than in close-ended questions. Also because of the open-ended questions, the respondents were given the opportunity to rationalize and clarify their answers. After receiving the answers, the interviewer went through the responses with the participants to avoid misunderstandings and to once more clarify their opinions.

4 RESULTS

Based on the interview of Hannu Riihimäki the first part of the results section concentrates on giving the reader an insight to Esa Prints current situation where the company is operating without CRM software. The main idea is to point out the parts where CRM software could help their sales organization to become more productive and efficient. In the second part the results section the author tries to highlight the most important things that Esa Print needs to consider if they decide to invest in CRM software. All the findings in the results sections are based on the in-depth interviews and the literature review.

4.1 Esa Print's current customer relationship management

Esa Print is a media and press house based in Lahti, Finland. Their main focus of business concentrates on printed marketing materials and books but the company also offers 3D modelling and video marketing services. Esa Print is Finland´s fifth largest printing house and its markets are spread all over the country. Esa Print´s future plan is to switch into a more holistic approach where they main idea is to offer their customers everything regarding printed and electronic-marketing.

According to Esa Print's Key Account Director Hannu Riihimäki (Appendix 1) Esa Print has been operating in the past without a proper CRM system because they have thought that the size of their sales organization has been relatively small and they haven't been able to find the right budget for it. All the important sales data and contact information has been recorded to several different files and sources so it has made the work of the sales representatives inefficient and time consuming. Hannu Riihimäki states (Appendix 1) the following about their current situation:

"Until today we have been using really complicated and old-fashioned software, which is especially designed for printing houses like us. The software helps the communication between the graphic designers and the production line but it really doesn't help us in the field of sales. I can't really say it is CRM software because we can only find the customer information and contacts from there and it is generally used only to record details about the order and the product. In other words, it is only a tool that helps us in the production stage. Mostly our sales team uses excel and word documents to store the information but we have realized that is really old fashioned and ineffective way to

store the sales data because the files aren't always up to date and the number of different kind of files is ridiculous."

According to Riihimäki (Appendix 1) Esa Print's sales process follows the pretty usual path from lead generation to closing and servicing the sale. The approximate length of the sales cycle varies between 1-3 months, depending on the customer of course. Riihimäki states in (Appendix 1) that during the different stages of their sales process they need to collect and record lot of detailed information about the customer and their needs, the offer, and also about the desired product and the production of it if the deal is closed. Until now the information has been stored only into different word or excel documents or into the outmoded production software.

Also the fact that some of the valuable information is only in the personal use of their representatives prevents the sales organization to work as a team and to support each other. Hannu Riihimäki himself is responsible of Esa Print's largest and most valuable customers so the fact that he is retiring in 6 months doesn't help the situation where lot of valuable information will disappear if it hasn't been recorded anywhere (Appendix 1).

The customer base of Esa Print is relatively large with approximately 1000 customers from where two thirds of them are permanent customers who buy at least more than once so managing a customer base size of this can be complicated and challenging without any professional CRM tools. According to Riihimäki (Appendix 1) Esa Print is already searching for a solution, which could help them to store their sales data into one place and to the access of all representatives.

4.2 Towards better customer relationship management

Today there has been a big change in Esa Prints operations because the company has merged together with another printing house called Kirjapaino Uusimaa. The acquisition has brought new ideas and a new budget towards more efficient and professional sales organization. Because of the fusion the size of the sales organization has doubled from 5 representatives now to 10 persons. Also according to Riihimäki (Appendix 1) the size of the customer base has now increased to 1500 customers so taking care of them plays a vital role in the future success of the company.

Hannu Riihimäki states in his personal opinion (Appendix 1) that investing in CRM system would benefit the company in many ways. Also the fact that the company has now two separate offices, one in Helsinki and one in Lahti, makes the communication and managing the sales teams much more demanding than before. Riihimäki thinks in his interview (Appendix 1) that a great solution for this would be investing in CRM software. Riihimäki states that the software could make the information flow and communication between the two branches much more efficient because everyone could follow all of the sales cases from both offices.

Hannu Riihimäki points out in his interview (Appendix 1) that the company is under a big change so he thinks that now would be the best time to invest in CRM system because the new sales organization could more easily adjust to the new system already from the birth of the new sales organization. According to Riihimäki (Appendix 1) Esa Print has already had serious discussion in the past about investing in CRM system so the interest is already there. The next step for Esa Print would be to identify different options concerning the CRM software and the provider.

4.3 How could Esa Print benefit from CRM system?

The list of benefits that CRM systems can bring for companies is endless because the variety of different features that you can integrate to the system is very wide. To make it more realistic the author of this thesis has decided to only point out only the benefits that the participants of the interview have experienced in their daily work. Both Kennet Jokisalo and Jarkko Hellsten highlight in their interviews the importance of the CRM software in their daily work. Åf Groups sales manager Jarkko Hellsten states (Appendix 3) the following:

"I can't imagine working without our CRM system because it would make my work ineffective and even more challenging that it is already. The reason why the system is so valuable for me is that it helps me to coordinate my clients, plan my daily tasks and also allows me to build and follow important reports. This way I know all the time where I'm heading with my work and what is going to be the next step towards the goal."

This statement already points out how important tool the CRM system can be for a sales person if the system is in harmony with the user. Yet there hasn't been developed really any formulas or meters that would straight indicate the advantage of using CRM software but already from the experiences and opinions towards these system you can already sense that these systems can motivate and support the users in several different ways. For example Tori’s strategic key account manager Kennet Jokisalo points out (Appendix 2) his opinion about their CRM system:

“First of all, in a long run it will save you a lot of valuable time and money because it is a tool that can help you on daily bases. We can all ready see that everyone is working more efficiently than before the software because the data is held in the same place and not dropped all round your desk, excel sheets, emails, Skype, and etc. Realizing the fact that you can link almost everything to the software makes the system even better. On a personal level it’s easier to follow your own figures and budgets when you can see your own diagraphs and dashboards trough the software. Keeping the figures front of you motivates me to reach my targets.”

In Esa Prints case the software could make their sales representatives work much easier and efficient if all the sales information and customer contacts would be recorded to the same software. Also the software would help the sales representatives to follow the sales process of each individual customer and make estimates how long each stage and sales case would approximately take. According to Jokisalo (Appendix 2) the CRM software also helps the representatives in their individual work because the representative can monitor their personal sales numbers and targets from the system. This also gives the managers the ability to monitor the development of each representative or a sales team.

As Riihimäki already stated in paragraph 4.1 the company have had problems to store all the information regarding the sales process and the order so according to Hellsten (Appendix 3) the CRM software is a great place to record everything regarding the sales process and the details about the product and the order. By combining all the possible information together would make the work of Esa Prints representatives more efficient and pleasurable. Kennet Jokisalo points out in his interview (Appendix 2) how easy it is to have the sales information and the contacts with you when you can access the CRM system from your smartphone or laptop. This ability would also allow Esa Prints representatives to carry all the necessary data and information with them where ever they would go.

Jarkko Hellsten states in his interview (Appendix 3) how easy it is to plan and follow his daily tasks and appointments when his calendar is integrated to the CRM software. The system can remind you about upcoming meetings and important tasks so this ability could also benefit the sales representatives of Esa Print. According to Hellsten (Appendix 3) the possibility to run and build reports straight from the CRM system reduces his workload and allows him to have statistic to support him in the sales meetings. The fact that the data can be also transferred into Excel or Word documents gives the representatives free hands to move and build different kind of reports and statistics. Jokisalo highlights in his interview (Appendix 2) how easy it is for them nowadays to create invoices and send offers through their CRM software. This ability would also help Esa Print to become more efficient with their invoicing and help them to create offers.

4.4 If Esa Print decides to invest in CRM software the things they should consider.

If Esa Print decides to invest in CRM system the most important thing to understand is that the software is not a solution that once you have purchased the system it would automatically make the sales organization more productive and efficient. Instead it is a tool that can help the sales representatives to coordinate and organize their work when all the information is in one place and easily accessible. This way the representatives can become more productive and efficient in their work, which then can reflect straight to the success of the whole sales organization. According to Jokisalo and Hellsten (appendix 1 & 2) in order to the system to support the user, the implementation of the software needs to be done with care. Also the training of the employees plays the most vital role in the success of the system. Jarkko Hellsten states the following in his interview (Appendix 3):

"The key point in the implementation stage is the training! Without training the whole system is only a mess. Best way is to first train the administrators and IT personnel who are responsible of running the system in the company. This can be done with "training software" that can help the users to get familiar with the software and its features. By learning the basic commands of the software with the training program it is much easier to switch to the actual system. After the administrators of the software are familiar with the system it is easier to train the rest of the employees. Best way is to study the software piece by piece and in different stages so that everything doesn't

need to be understood at once. Also the system itself can be implemented in several stages so that there is time to learn and study the different parts of the system."

In Jokisalo's opinion (Appendix 2), the best way for the company to train its employees is to first decide 1-2 administrators who will intend to an intensive CRM course where the consults of the software vendor trains the administrators to use the software. After the course these administrators then can train the rest of the company and give personal assistance their colleagues. This way the company can save lot of many when they don't need to all the time use the expensive CRM consultants. Because according to Jokisalo (Appendix 2) the implementation of the software in most cases can't be done without the help of the consultans so the times spend with the consultants needs to be used efficiently. Jokisalo states the following in his interview (Appendix 2):

"Our first assumption was that we just need to build the system up and everything will go smoothly after that. The reality is totally different because there are so many little details that you cannot change/understand without taking an admin course or hiring a Salesforce consultant who will help the company in every single detail."

So in Esa Prints case they should really to use time in the training of their employees and also in the implementation of the software. Both Hellsten and Jokisalo argue in their interviews (Appendix 2 & 3) the complexity of the implementation period. The period can feel long and frustrating because even after several months the software might not be functioning as planned. One of the key points is to find a vendor who can offer extensive and excellent customer support, which can help Esa Print even in the worst-case scenarios.

According to Jokisalo and Hellsten (Appendix 2 & 3) the biggest challenge during the implementation period was to transfer all the customer information and contacts to the system. Even though most of the vendors promote how easily the company's existing customer and contact information can be transferred to the new software, there still might be lot of obstacles and work need to be done before all of the existing information is in the system. For example Jokisalo argues in his interview (Appendix 2) how they had to transfer all the information manually. Esa Print´s customer base consists of 1500 customers so filling all the information manually is not an option so they need to choose the vendors carefully who can easily integrate the customer contacts and information to the new system. Finding the right software vendor for Esa Print can save lot of valuable time and money already during the implementation period.

In the personal level another big challenge for Esa Print can be to get their employees motivated to use the system. For example, Jarkko Hellsten states in his interview (Appendix 3) the following:

"The biggest challenge for us was to get our employees motivated to use the new system because in the beginning their attitude towards the system was suspicious and sceptical. After a while people started to get more comfortable with the system and also began to understand the benefits of the tool."

Esa Print needs to be aware of the fact that all of their employees might not be too motivated and committed to use the software because of their attitudes or earlier user experiences. Also the age of the employee can affect to the motivation because usually older persons are more timid to big changes. In Hellsten's opinion (Appendix 3) the best way to motivate people to use the system already from the beginning is to make them feel they are part of the implementation of the system and their opinion about different features is taken into account. He also highlights the importance of the training because people might be ignorant to use the system just because they don't know how to use it.

Another thing Esa Print needs to be aware is that they need to have a well-planned sales process and strategy in order to the system support them. Esa Print's Key Account director Hannu Riihimäki already stated in his interview (Appendix 1) that their sales process follows the pretty usual path from lead generation to servicing the sales so in this case they shouldn't need to have do big changes to their sales process in order to the system to work properly. Jarkko Hellsten states (Appendix 3) that their CRM system can easily divide the sales process into separate windows where it is easy to follow the tasks of each individual stage so this ability can help Esa Print to follow their sales funnel. Kennet Jokisalo still wants to remind Esa Print the following (Appendix 2):

"One thing that you need to keep in your mind is that even though your sales process might seem to work hand in hand with the system, still your ready planned sales process might change radically during the implementation stage because you learn a lot while building up the system. You might suddenly realize all the potential help the software can offer and therefore you might also modify your sales process."

Jokisalo recommends in his interview (Appendix 2) to companies that are about to invest in CRM systems to first take a 30-day trial period where the company can get the feeling of the system and test the features of it. By doing a competitive tendering between different vendors can make the decision-making process easier and can help to find the most profitable solution. Jokisalo also recommends to companies to start only with few user licenses because otherwise the company will get unnecessary expenses from persons that are part of the sales organization but cannot or don't want to use the system due to a proper training. So in other words it is easier first to get the few main users to understand what the system is all about and then slowly increase the number of user licenses while people are getting more familiar with the system. Also according to Jokisalo (Appendix 2) it is better to build up the system by piece by piece than purchasing all the feautures at once and not even knowing if you will need them in the future. Having the system full of complicated and expensive feautures can make the system hard to operate and be only waste of money if the features are not even used.

To help Esa Print to choose the best suitable CRM software for their company Jarkko Hellsten has made a list of points (Appendix 3) that Esa Print should take into consideration if they decide to invest in CRM Software:

- The size of the customer base, now and also in the future. In other words the system needs to meet also the future demand of the company.
- The amount of users can be increased or decreased easily without too high fees.
- The language of the system (If the company is multinational or intending to grow to international markets the language needs to be in English or can be modified to different languages)
- Computers and networks need to be powerful enough to support the system.
- The provider needs to have good references from similar business environments and industries.
- Excellent and unlimited technical support
- High quality consultancy and training
- Usage needs to be easy and logical
- Nice visual appearance
- Possibility transfer data to excel and word
- Possibility to use different kind of filters to sort data and reports

- Easy to integrate with other tools or applications (now and also in the future)
- Data is safely protected
- The software needs to have the ability to produce accurate and reliable reports for its users (also to excel)
- Ability sort and highlight data
- The system can be accessed and used outside of the office (Mobile app/Cloud service)

5 CONCLUSIONS AND RECOMMENDATIONS

Even though CRM systems have been around already for the past few decades, the quality and the benefits of the systems haven't met the expectations and needs of the end-users very well. They have been clumsy and complex to use resulting in the interest towards them dropping after the first generation coming out. Today however the new wave of CRM softwares and providers have been doing great work to enhance the image of the systems. The user-friendly softwares and the endless lists of features and applications integrated to these systems have made the work of sales representatives more efficient than ever. The companies that have noticed this are now enjoying the benefits of the system while the others are struggling to make the decision either to invest in the CRM system or not. Esa Print is a good example of a company that is in the transition stage towards more modern way of thinking where cost saving is the key word and the emphasis is on the efficiency of its employees.

In the authors opinion Esa Print should make the decision to invest in a CRM system. Just postponing the idea makes the decision making even harder and prevents the new sales organization from developing. As discussed previously Esa Print needs to find ways to transfer knowledge within the organization, store valuable customer information and bring efficiency to the sales process with CRM system. Even though the first step might feel expensive and frightening, the positive thing is that the benefits of the system has been already discovered and proven by the companies who are already using these systems. At least it is important to give a try and test the systems with the free trials that most of the biggest vendors are offering. Without testing the actual system it is impossible to make the decision.

Following the previous point Esa Print needs to consider carefully which provider and software to choose. They need to spend time listing their specific needs, comparing the products and testing different options. The chosen system needs to be decided based on the user experience and technical support of the system and foremost of all – how it services the business the best. The company needs to identify where their sales and business process have gaps, prioritize the needs and investigate how the different systems would work in their organization the best. In the authors opinion the best way to test the systems is to take the free trial if possible, test use it heavily and make the decision based on the outcome and comparison with other similar software and the methods currently in use. If one system doesn't quite meet all business requirements it is easy to identify the missing parts, investigate other software proceed with another one that has more to offer. A well done cost benfits analysis is needed.

If Esa Print succeeds in choosing a CRM system that suits them the best the next step is to motivate and train their employees. Many companies fail to make most out of their expensive software when not enough resources and time has put into proper training. Needless to say there is no sense in investing in the software if employees don’t know how and want to use it. The employees need to see how the program will benefit their daily tasks as well as the overall business. Obviously when investing in new expensive software and when redefining existing processes it comes with risks. Like with everyt-hing investing in something new always has its own risks but without risk there is no reward.

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Appendix

The interview of Esa Print´s Key Account Director Hannu Riihimäki. **(Appendix 1)**

1. How big is your sales organization?

A month ago we were part of big acquisition were Esa Print and Kirjapaino Uusimaa merged together. After the acquisition our sales organization grew to 10 sales representatives. Approximately half of the representatives will stay in Lahti and the other half will be located in the sales office in Helsinki. We are still in the process of combining our operations together so the number of representatives can change between these two cities. We are looking for a solution that would help us to combine our customer base and help us to share information between the two offices.

2. Where do you store your customer information and how big is your customer base?

Because before the acquisition our sales organization was relatively small so we thought that we don't need any CRM system to support our sales team. Until today we have been using really complicated and old-fashioned software, which is especially designed for printing houses like us. The software helps the communication between the graphic designers and the production line but it really doesn't help us in the field of sales. I can't really say it is CRM software because we can only find the customer information and contacts from there and it is mostly used only to record details about the order and the product. It is only a tool that helps us in the production stage. Mostly our sales team uses excel and word documents to store the information but we have realized that is really old fashioned and ineffective way to store the information because the files aren't always up to date and the number of different kind of files is ridiculous. Kirjapaino Uusimaa has also been using the same type of methods to store their customer information so I think its time for us to change our old-fashioned methods and find a more professional and effective approach for our new sales organization. Also big part of the information is only in the minds of our representatives so everything should be recorded into one place in order to work as a team. For example, I have been working in Esa Print now for 15 years and I am about to retire in six months so me as a Key Account Director I feel that I have the obligation to hand all of my valuable knowledge about our biggest and most valuable customers to my followers so in my opinion I think the easiest way would be to record all of the knowledge I have gained into CRM software. This way it would be easy for the person who is taking over my place to continue with his work and study the information about our most important clients.

Our customer base is pretty large because we have approximately 1000 customers. Two thirds of them are permanent customers who buy regularly from us and one third is customers who only buy occasionally or only once. Because of the acquisition of Kirjapaino Uusimaa, our customer base has grown to 1500 so managing them without professional tools like CRM software is going to be a nightmare if we don't make any rapid actions towards investing in CRM system.

3. What type of information do you collect from your prospects and customers?

In the first stage of our sales process we try to find and record information about our prospects in order to learn about their business and industry. In the beginning of our sales cycle we always try to first approach the prospects by scanning their needs and interests towards our services. We usually try to take notes from our inquiries and save them with the contact persons information to excel, word or calendar. Also the information collected during the sales meetings is stored into the same file. During the different stages of the sales process we need to collect a lot of information regarding the prospect, the meetings and the offer itself. Also a lot of details about the desired product and the production of it are collected during the sales meetings. So in other words, there is lot of information that needs to be recorded during the sales process. To make our work easier and more efficient, all the data should be recorded into one place so that it is available for all of our representatives.

The sales representatives are the links between the production and the customer so if the deal is closed we need to also collect lot of detailed information about the order. At the moment we are using our existing software to record the information but we hope we would find a affordable CRM software, which could replace the outmoded software and help us to record information about the order, but also about the customer and the whole sales process.

4. What is your personal opinion about Esa Print investing in CRM software?

We have already had serious discussions about investing in CRM system but we haven't had the budget for it but now after the fusion with Kirjapaino Uusimaa we might have the budget for it. In my opinion it would be vital to have an efficient CRM system in our company in order to make the fusion to work because we will have two different locations and sales teams to integrate and manage. Because the two customers bases will be mostly combined together so managing them without any CRM system would be difficult and inefficient. In my opinion, now would be the best time to invest in the system because the whole organization is in a transition stage so I think that now would be a great opportunity to act. I think that the software could help our sales organization and representatives to become more productive and efficient, plus the information flow between the two offices could improve because from the software you can follow the progress of every sales case in the organization. In addition, the software could help us in invoicing and creating the offers.

5. How long does your sales process usually last and how many stages does it contain?

Our usual sales process from prospecting to closing the sales takes approximately 1-3 months depending on the size of the customer and their needs. In some cases the time can be longer but mostly the need for our services is already there or then the offer will be postponed to the future or rejected. Our sales process follows the pretty usual formula (prospecting, the approach, the needs assessment, the presentation, handling the objections, Closing the sale, and of course the follow-up and servicing the sale).

The interview of Tori.fi´s Strategic Key Account Manager Kennet Jokisalo. **(Appendix 2)**

1. What made the decision to invest in CRM system?

We needed a better tool than Excel sheet to keep track of our sales figures and processes. Our sales team had different kind of experiences working with different CRM systems in their previous jobs so we had some kind of clue what to expect or at least which previous problems we want to avoid. Actual decision was made after the 30-day trial period, which we used to study and learn about the software and to get the feeling what it is all about. Our business is growing rapidly so we needed a tool that can handle our needs and support our daily tasks. The reason why we chose Saleforce as the software provider was that it could be easily customized to our needs, now and also in the future. In overall, we have been satisfied with the decision to invest in CRM system.

2. How long was the implementation stage of the software and how long did it take to train your employees to know how to use it?

It took a lot longer than we expected. First we thought it would take a maximum of three months to implement the system but in reality it took at least 6-8 months to get it running properly. First we took the trial period in the beginning of January and from there to end of July it has been a bit struggle but just few weeks ago we got everything fixed so now the system is running as we expected. Our first assumption was that we just need to build the system up and everything will go smoothly after that. The reality is totally different because there are so many little details that you cannot change/understand without taking an admin course or hiring a Salesforce consultant who will help the company in every single detail. So after six months it’s finally up and running like it should be and everything regarding to sales is going trough the Salesforce. Opportunities, prospects, leads, accounts, account information, revenues, invoicing, and all the necessary information is now stored into our system to support our sales team and to help them work more efficiently.

I was named as the head administrator of our system so my task was to take an admin course to decrease our consultant fee and in order to train our new sales reps to use it. In my opinion, the course itself was extremely helpful and gave me lot of valuable information about the software and also how to train my colleagues. I decided to arrange an intensive “Salesforce” week in our office where we had different kind of workshops about the CRM software and people had the opportunity to ask questions and teach others how to use the system. The training went well and people were satisfied with the result of the workshops. Of course the training consumed some valuable time but in long run I think its better to learn the things straight from the beginning so that everything is clear about the new system and people wont get reluctant to use it.

3. How to choose right vendor for the software?

We made a competitive tendering for two CRM systems. The things that we were looking for, as a company was 24/7 wide customer service (mobile, email, help & training site, etc.) modifying possibilities, apps and additional features to attach to the software, and cost efficiency. Salesforce was a bit more expensive than the other provider but after we tested out both systems, the clear difference between the two parties was at the level of customer service and in the additional apps/features that made Salesforce standout from its competitor.

4. What kind of benefits has it brought to your company and yourself?

First of all, in a long run it will save you a lot of valuable time and money because it is a tool that can help you on daily bases. We can all ready see that everyone is working more efficiently than before the software because the data is held in the same place and not dropped all round your desk, excel sheets, emails, Skype, and etc. Realizing the fact that you can link almost everything to the software makes the system even better. On a personal level it’s easier to follow your own figures and budgets when you can see your own diagraphs and dashboards trough the software. Keeping the figures front of you motivates me to reach my targets. Before I was counting them individually client-by-client and making the predictions for the rest of the year only once in a while.

5. Was there any kind of problems or challenges during the implementation stage?

There was definitely lot of challenges through out the 6-month implementation period. Hardest part for us was to transfer our old data and accounts to the new software by hand because the system didn’t somehow allow us to automatically transfer them. It took ages to list our 250 existing clients and their information to the software and after two weeks of listing all the information, the Salesforce consultant informed us that he cant make any changes to the software platform because the information we listed was in wrong place. They only way to fix the problem was to delete all the data and start again from the beginning. Another problem appeared when we were building extra elements to our system and we noticed that even some of our additional features that we had bought required another extra element to function as planned. This of course cost more than we had expected but still we thought that it's better to invest now in the features so that we have everything we need, now and in the future. One thing that you need to keep in your mind is that even though your sales process might seem to work hand in hand with the system, still your ready planned sales process might change radically during the implementation stage because you learn a lot while building up the system. You might suddenly realize all the potential help the software can offer and therefore you might also modify your sales process.

6. How has the software affected to different parts of your sales process?

1. We can generate leads easier when we can implement them trough excel to sales force. It also helps that you don't have to manually categorize them because sales force will give you the information you need (risk category, overdue receivables, etc.).

2. Salesforce is working with Fonecta to make an integration tool to implement account details such as addresses, numbers, e-mails, etc., so companies don't have to manually get the right information to every account by hand. This will make our lives easier and save lot of our sales reps time.

3. Our invoicing is running more smoothly because the Salesforce is more up to date than the previous excel sheet model.

4. For example we bought an additional feature called Docu-sing into our software, which allows us to collect signatures without sending hardcopies or meeting the buyers face to face. In other words, we can send the ready prepared electronic contracts to our customers who can just confirm the deal by giving his or her electronic signature. This saves lot of time and makes it easier for us to close more deals because it has been made much easier and quicker. The faster we get the contract to our customer the less time they have time to have second thoughts.

All combined to our pre sales, during sales and post sales processes have become more cost efficient.

7. Recommendations for a company, which is intending to invest in CRM software?

First take the 30-day trial period and after that just few (depending on the size of the company) accounts with licenses for daily usage. Most important thing is to get 1 or 2 main users to really understand what the system is all about. After that you can buy additional user licenses. Otherwise you will get unnecessary expenses from people that are part of the sales organization but cannot or don't want to use the system due to a proper training. The best way to build up the system is to build it up feature by feature so you don't purchase anything that you won't need. This way you can avoid unnecessary costs and make the system simple to use.

You will need consultants all the way to the end of the implementation stage but when you want to decrease the consultant fees, the best way is to choose again one or two main users to attend an admin course. In this course you will learn everything you need to learn from the software. After that you can decrease the amount of hours of used for consultancy and train your sales team internally.

The interview of ÅF Groups Sales Manager Jarkko Hellsten. **(Appendix 3)**

1. What made the decision to invest in CRM system?

The reason why we decided to invest in CRM system was that our organization is so large and the company works in several different sectors. Our customer base is so large that it is impossible to control and maintain so large number of clients without any kind of CRM system. Also the fact that our organization is global and has several different offices and clients around the world, means that we need to have a tool that can help to maintain and keep track of our existing clients and also to list leads and potential prospects to our opportunities. This way we all are on the same page in our sales organization and we can easily guide our multinational clients through the sales pipeline where ever we are.

2. How long did it take to implement the system and were there any problems during the implementation stage?

The reason why we decided to refresh and change our CRM provider was that the contract with our previous provider had expired and the technical support for the system had already abolished even before the contract had expired. The implementation period of the new software was approximately six months and it consisted of training, testing and building the system. The implementation of the software to our Finnish office went pretty smoothly and without serious problems because our office was the last country where the system was installed. The fact that the software had been already implemented to our others offices abroad, helped us to avoid the biggest problems and obstacles. The most intricate part was to transfer the clients to the new software because the number of the accounts was large.

The biggest challenge for us was to get our employees motivated to use the new system because in the beginning their attitude towards the system was suspicious and skeptical. After a while people started to get more comfortable with the system and also began to understand the benefits of the tool. In my opinion the best way to motivate people to use the software is to make them feel they are also involved in the implementation of the system and their opinions about deferent features is taken into account. This way the barrier to use the system gets lower and people feel that the system can actually support them in their daily work. Also training lowers the barrier a lot because of the training you learn how to operate the system and you wont get ignorant just because you don't know how to use it.

The key point in the implementation stage is the training! Without training the whole system is only a mess. Best way is to first train the administrators and IT personnel who are responsible of running the system in the company. This can be done with "training software" that can help the users to get familiar with the software and its features. By learning the basic commands of the software with the training program it is much easier to switch to the actual system. After the administrators of the software are familiar with the system it is easier to train the rest of the employees. Best way is to study the software piece by piece and in different stages so that everything doesn't need to be understood at once. Also the system it self can be implemented in several stages so that there is time to learn and study the different parts of the system. Even though there are endless amount of CRM software vendors and providers, basic thing to remember is that none of the systems are ready to be used immediately after purchase.

Another important thing is to be sure that the computers and the IT technology in the office can support the system now and also in the future. It is extremely important that the software will function smoothly and respond quickly to the users commands. Otherwise if the system runs slowly people will get frustrated and refuse to use it.

3. What were your main criteria's when choosing the right software?

Here is a list of our criteria's towards the system and vendor:

- Excellent and unlimited technical support
- The vendor has good references from its previous customers (same sized as our organization)
- The feedback from its previous projects has been positive.
- The system is well structured and easy to use.
- The software has advanced and useful features/modules that can be added to the system also later on.
- Additional users can be added easily and the fee for that is not too high.
- The visual image is nice and the software responds quickly.

- The software needs to have the ability to produce accurate and reliable reports for its users (also to excel).
- Ability sort and highlight data.
- Easily customizable, now and also in the future.
- Data is safely protected.

4. What kind of benefits has it brought to your company and yourself?

I can't imagine working without our CRM system because it would make my work ineffective and even more challenging that it is already. The reason why the system is so valuable for me is that it helps me to coordinate my clients, plan my daily tasks and also allows me to build and follow important reports. This way I know all the time where I'm heading with my work and what is going to be the next step towards the goal. I have made a list of the benefits that I feel are important for me and also for a company that has large amount of clients:

- The system helps to store all the necessary information about our clients and their contact persons. Also it allows us to define the person who is in charge of the account so everyone knows who is taking care of it.
- It helps us to follow the different parts of our sales process and also to make estimates how long each stage takes.
- The software also allows us to write important details about every sales meeting we have and also to make notifications for the upcoming meetings or events.
- From the software we can also track and see the status of our offers that has been send to our clients.
- With the help of the software we can make different kind of sales estimates and reports for internal and also external use.
- We can follow and track all of our orders and make estimates for the ongoing projects.
- All our contacts and clients are listed to the software so we can easily make different kind of lists of our clients and for example send them marketing material or invites for our events.
- The software automatically provides us a code for each of our clients and projects so it is easy to search and find the specific projects or clients from our system.

- Everyone can individually follow their own budgets and sales figures so it helps the representative to follow their progress and development.
- The system also supports us in our sales meetings because we can easily find all the necessary information about our clients and projects from the software.
- The possibility to transfer data straight from the software to Excel reduces our workload and also allows us to move the data easily to different places.
- We have offices in several countries around the world so we can easily follow the projects and clients around the globe. This way we can support and switch projects and clients between our offices.

5. How does the system support your sales process?

The system helps us to divide the sales process in to stages. Each stage of the process can be seen as a separate window where we can see all the specific information for that stage. This way we can keep track that in which of the stages the prospect is and what we need to do to get them to the next stage (from Lead to Order to aftersales). Each of the stages has their own tasks that we try to follow. Every customer is of course unique so we can't always use the same pattern but in most cases it is there to guide us and to remind us which stage and tasks are next. Also the funnel includes a feedback stage where it is compulsory to request for feedback and to record it to the system.

6. What are the most important features in your CRM system?

The following features has been approved to be important and necessary for us:

- A column where we can record our extensive customer information and industry reports.
- The ability to divide our customers into different categories (For example by industries or on the basis of their importance)
- We can send marketing material or invites straight from the software to all of our clients at the same time with only few clicks.
- The ability to transfer all the reports and statistic into excel.
- Making notes from our sales activities and meetings.
- Calendar integrated to the software so we can follow important dates for meetings and projects.

- The software require to name a person who is responsible for each account so we know who is in charge of the customer. This way there is no misunderstandings or confusion between the representatives.
- Ability to follow our sales cases all the way from leads to order and aftersales. Also we can follow how our projects proceed and has our offers been accepted (Lead, Prospect, Bid Project, Proposal, Order /Cancelled/Lost)

8. Recommendations for a company, which is intending to invest in CRM software?

In my opinion the most important things that need to be taken into consideration are:

- The size of the customer base, now and also in the future. In other words the system needs to meet also the future demand of the company.
- The amount of users can be increased or decreased easily without too high fees.
- The language of the system (If the company is multinational or intending to grow to international markets the language needs to be in English or can be modified to different languages)
- Computers and networks need to be powerful enough to support the system.
- The provider needs to have good references from similar business environments and industries.
- Excellent and unlimited technical support
- High quality consultancy and training
- Usage needs to be easy and logical
- Nice visual appearance
- Possibility transfer data to excel and word
- Possibility to use different kind of filters to sort data and reports
- Easy to integrate with other tools or applications (now and also in the future)
- Data is safely protected
- The software needs to have the ability to produce accurate and reliable reports for its users (also to excel)
- Ability sort and highlight data
- The system can be accessed and used outside of the office (Mobile app/Cloud service)