

Evaluating CRM Solutions: Six Ways ‘The Oracle Advantage’ Benefits Your Organization

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EXECUTIVE OVERVIEW

Deciding on the right Customer Relationship Management (CRM) solution for your organization is no easy feat. Companies have a wide array of vendors and accompanying solutions to choose from—ranging from simple to more complex applications, from on-demand to on-premise deployments, from niche players to more established technology and application vendors.

Oracle understands the challenges organizations face when making such a critical decision. These considerations should not only address current business requirements but also encompass unanticipated changes as organizations evolve and macro-business environments change. The best CRM evaluations are conducted by analyzing a combination of vendor criteria in addition to assessing product features and functionality. This white paper summarizes the key questions every organization should ask of a vendor and the ways ‘The Oracle Advantage’ addresses each of these areas.

IT’S MORE THAN A PRODUCT DECISION

Executives look for innovative solutions to achieve aggressive revenue targets, reduce costs, and foster customer loyalty needed to meet today’s business expectations. At the same time they seek a strategic partnership with an application vendor that understands and can help them navigate the business challenges of tomorrow. Plentiful CRM applications and vendors abound. Many offer point or niche solutions to address tactical requirements; very few offer strategic solutions that enterprise organizations need to ensure continued growth and success in the long-term.

While judging a potential CRM application based on functionality is critical, it alone is not enough – features shown today may address present needs but provide no insight into how the application will evolve as your business needs change. A rigorous evaluation of vendor qualifications is more strategically important to the longevity and success of your CRM deployment. Enterprise decision-makers should take a comprehensive approach and consider the following questions when evaluating a CRM solution *and* its vendor:

- Does the vendor offer a choice of deployment options to meet your organization’s ever-changing needs?
- Can the vendor offer a single 360 degree view of your customer across your organization’s front and back office applications?
- Does the vendor have the domain expertise and technology to enable better decision making and insight across your sales organization – such as determining what customers really want, identifying the most and least profitable customers, and answering how to close performance gaps among sales representatives?
- Would a relationship with this vendor reduce costs, minimize risk, and provide faster time to business value?
- Is the vendor committed to industry standards-based solutions to ensure continued innovation and long-term viability of your investment?
- Does the vendor have the leadership, expertise, innovation, and commitment you need to ensure the longevity and continued success of your CRM investment?

This white paper examines these factors in more detail and offers an overview of six key points to consider when strategically selecting a CRM solution and vendor.

1. Flexible Deployment Options Meet Existing and Evolving Business Needs

Rarely does one size fit all. A company may have an immediate need for a quick CRM implementation with no IT involvement and choose a multi-tenant on-demand solution, but as the organization grows, it may want to consider a privately hosted or on-premise solution for greater flexibility and control of operations. Even within one organization, CRM requirements may differ markedly among functions or individual lines of business. For example, 24x7 call centers with hundreds of agents may need an on-premise CRM solution with intensive transaction processing capabilities, while field sales representatives engaged in a team selling approach may benefit from a collaborative on-demand CRM solution with built-in sales coaching features. Business needs are constantly changing as the market and competitive environments evolve. Only Oracle understands that different organizations have varying CRM requirements at different points in time and offers companies a choice in how to manage both their applications and vital customer information. No software provider offers more CRM deployment options than Oracle, including on-premise at the customer site, on-premise as an Oracle managed and hosted solution, or as a subscription-based on-demand service – Oracle CRM On Demand. And when opting for Oracle CRM On Demand, companies have the ability to choose between a multi-tenant environment or a single tenant option with a dedicated database, application server, and analytics stack. As needs evolve, organizations can select and migrate to the CRM deployment option that best matches their business requirements.

“As compelling as Oracle CRM functionality is, the real strength behind its portfolio is the ability to put forward the most appropriate solution depending on the level of functionality, deployment environment, enterprise applications environment or industry-specific process expertise required.”

— Decision Matrix: Selecting a CRM Vendor (Competitor Focus), Datamonitor, August 2007

Key Takeaway: Selecting a CRM solution that cannot evolve as your business does will impede your organization’s ability to adapt to shifting scenarios. Carefully consider the deployment options and migration paths the vendor offers should your business requirements change.

Deployment Option	Description
Oracle CRM On Demand (Multi-Tenant Option)	Traditional Software-as-a-Service (SaaS) deployment managed by Oracle at its world class Austin Data Center hosting facility
Oracle CRM On Demand (Single Tenant Option)	Similar to above with the addition of a dedicated database, application server, and analytics stack, offering companies greater flexibility and control over performance, maintenance windows, and upgrades
Oracle CRM On Demand @ Customer	Oracle CRM On Demand application runs at the customer site and is managed remotely by Oracle
Siebel CRM	Traditional on-premise deployment of Siebel CRM software where the customer is responsible for the management and hosting of the entire hardware and software stack
Siebel CRM, Managed by Oracle	Siebel CRM software managed and hosted by Oracle experts at its world class Austin Data Center hosting facility
Integrated Model	Combines on-premise and on-demand deployment models to address individual satellite and departmental needs within an organization

Table 1: Only Oracle offers a wide range of deployment options to adapt to changing business needs and strategies.

“The integration between Oracle CRM On Demand and Oracle E-Business Suite offered out-of-the-box by Oracle enables us to easily access and update back office information and achieve a 360 degree customer view.”

— Dominic Martinelli, Vice President of IT, Rackable Systems

2. Seamless Application Integration Improves Customer-Focused Business Process Execution

Companies invest in best-of-breed front and back office applications to streamline critical business processes for a particular function. However, these applications often operate in their own operational silos, making it difficult to connect business processes that span application boundaries, resulting in lower user productivity, data quality issues, and reduced sales effectiveness. Seamlessly integrating CRM applications with other enterprise systems – although a top priority for many enterprise executives – remains a challenge for most organizations. Many companies underestimate the amount of effort needed to integrate front and back office systems. Too often, enterprises find the integration capabilities of many available solutions to be complex, costly, limited, and difficult to maintain. Rather than streamlining business processes across application realms, many integrations are restricted to basic data synchronization and replication, forcing users to revert to manual means of retrieving and validating transactional data across applications.

Because users do not have access to the complete set of information they need to do their jobs, they are forced to log into multiple applications to duplicate and verify information in order to complete a simple business transaction. And without the ability to view past orders stored in a back office system, a sales representative

logged into a CRM system may miss valuable up-sell or cross-sell prospects. The result? Decreased user productivity, data quality issues, and missed opportunities.

As the world's leading enterprise software provider, Oracle recognizes this integration challenge and the need for organizations to maximize value with existing application investments, regardless of whether the applications are provided by Oracle, another packaged vendor, or are custom-built. Oracle leads the industry in delivering industry standards-based solutions by leveraging its Application Integration Architecture (AIA), an open standards-based platform for managing business processes across Oracle, third-party, and custom applications. With pre-built process integration packs between Oracle's leading CRM and ERP applications, organizations can automate entire business flows at the data, business process, and user interface layers to improve customer effectiveness. And by providing Oracle Application Integration Architecture Foundation Packs, companies can develop their own custom, sustainable integrations using the same proven methodology Oracle uses to develop its own process integration packs.

Benefits of Oracle's AIA strategy include:

- ***Comprehensive integration from one vendor.*** Only Oracle offers a complete integration solution that is fully supported and upgradeable. Other CRM providers require purchasing a multitude of products, services, and support from a medley of partners and system integrators to deploy, maintain, and upgrade – increasing deployment time, cost, and risk.
- ***Prepackaged integration between best-of-breed applications.*** Only Oracle offers seamless integrations with its Process Integration Packs – out-of-the-box prebuilt process integrations that connect best-of-breed front and back office enterprise applications. Because they are based on open standards, organizations can easily tailor the process integration packs for specific business scenarios.
- ***A true 360 degree view of the customer.*** Streamlined, real-time integration between the front and back office at the data, business process, and user interface levels provide sales people with all the customer information they need to complete a sales transaction at any stage of the sales cycle from a single application, increasing their efficiency and effectiveness while improving customer service.

No other vendor can match Oracle's depth, breadth, and ease of integration or its commitment to standards.

Key Takeaway: Your users need to have one true view of the customer. Extend your existing application investments with a vendor that can offer an integration strategy that allows all your various applications to operate as one virtual suite across the front and back office.

“By implementing Oracle CRM On Demand, we are providing our sales team with a much easier to use application that provides the insights needed to fuel our growth in North America and rapidly expand the solution globally.”

**— Cecilia Shea, Commercial CIO, SABIC
(formerly GE Plastics)**

3. Top-Rated Analytics Provide Unmatched Business Insight

Business analytics provide critical insights that optimize performance across the entire enterprise. Sales representatives, managers, and executives need up-to-the-minute business intelligence to better maintain customer relationships and drive revenue. Sales representatives require a solution that optimizes their productivity and helps them close more sales; sales managers need to know how their sales representatives are performing in order to provide appropriate coaching and manage the sales pipeline. And sales executives need to know if their sales strategies are delivering targeted revenues and identify trends to uncover underlying issues to make mid-course corrections and take advantage of emerging business opportunities.

Ranked as the leading business analytics software vendor by IDC¹ and listed as the preferred BI vendor in a recent InformationWeek survey², Oracle includes key features of its highly acclaimed business analytics solution within Oracle CRM On Demand to provide real-time actionable insight to everyone on your sales team. As a result, sales representatives can focus on their best opportunities and close more deals. With insight into sales representative effectiveness, sales managers can assess if individualized coaching is needed. And as the only on-demand CRM solution with a data warehouse packaged right into the application, executives can use Oracle CRM On Demand to view the current pipeline, as well as historical sales trends, to determine if a current pattern reflects a fundamental change in business conditions or is merely a routine seasonal anomaly. They can then make real-time adjustments to increase sales and profits while keeping costs in check.

Oracle CRM On Demand provides much more than simple charts – it delivers the information needed to understand not only why an event occurred but also how to make smarter decisions that can turn that insight into new opportunities. And as Oracle furthers its investment and innovation in business analytics, organizations using Oracle CRM On Demand will continue to benefit from these industry-leading capabilities.

Key Takeaway: Analytics can fundamentally impact how effectively you run your business. Be sure your on-demand provider can deliver an integrated business intelligence solution that not only provides real-time analysis but a data warehouse for historical trending and comparison.

¹ “Worldwide Business Analytics Software 2007-2011 Forecast Update and 2006 Vendor Shares: Business Intelligence, Data Warehousing, and Analytics Applications Forecasts Point”, September 2007

² InformationWeek Research Business Intelligence Survey of 500 business technology professionals, March 2007

“IT spending trends have shifted toward centralization and consolidation through the integration of systems to provide one face to an organization.”

— Karen Carter, AMR Research, “Tech Trends Survey Shows Movement Toward IT Centralization”, February 2007

“We liked the fact that Oracle offers a hosted product with complete functionality built in...Oracle has a great track record for delivering product enhancements, so we know the solution will grow with us over time.”

— Paul Stals, President and Chief Operating Officer, Terry Hinge & Hardware

4. A Single Vendor Improves Efficiency and Increases Control

Managing vendor relationships takes significant effort, time, and resources, yet IT organizations have in the past purposely pursued multi-vendor relationships as a safeguard against vendor lock-in. However, with the growing adoption of industry standards alleviating this fear, CIOs are now focused on deriving the most value from the least number of vendors to achieve business goals and more effective vendor relationships. And CIOs are looking to larger, more established vendors for product breadth, stability, and business continuity.

Oracle is unique in its ability to enable simplified vendor management for all of your technology and application needs – minimizing the costs and risks associated with working with a multitude of vendors. Oracle is committed to reducing complexity and cost for its customers. Oracle’s integrated set of solutions and services offers the following key benefits:

- ***A complete on-demand CRM solution.*** Rather than rely on a large, informal network of partners to supplement CRM functionality, Oracle provides a comprehensive out-of-the-box on-demand offering with Oracle CRM On Demand that can be further tailored to meet an organization’s unique business requirements. Oracle CRM On Demand provides comprehensive sales, service, marketing, and partner relationship management functionality, as well as industry leading analytics with an embedded data warehouse – all available in five industry solutions. A fully integrated hosted contact center and email marketing capabilities are also available as part of the Oracle CRM On Demand solution. Complementary and specialized functionality is provided by a highly-vetted ecosystem of partners, ensuring synergy between partner solutions and Oracle CRM On Demand.
- ***Higher quality products and services designed to work together.*** As the only vendor in the industry responsible for the development and maintenance of the entire software and services stack – ranging from its industry-leading database, middleware, and application solutions to its world-class data center hosting operations – only Oracle can guarantee everything will perform optimally, beyond the benefits of standards interoperability. Not only does this lead to better reliability, greater security, improved performance, and more rapid delivery of new capabilities, but organizations benefit from the ease of doing business with a single vendor for all their enterprise software needs – applications, middleware, database, hosting, and more.

“Once you purchase a product from us, our responsibility increases dramatically and it is really our job to make you successful.”

— Safra Catz, President, Oracle Corporation

- **Increased Responsiveness and Business Agility.** Having one vendor completely accountable for maintenance, support, and system availability eliminates the complexity associated with multi-vendor support. Because one company is aware of and responsible for all of your enterprise software needs, organizations can expect quicker and higher quality responses and service levels. And with Oracle’s award winning support and service organization, Oracle CRM On Demand customers benefit from a single phone call regarding every aspect of their subscription service.
- **Long term vision and unified roadmap.** With its broad portfolio of applications and technologies under one company’s management, Oracle offers a consolidated product roadmap and vision to ensure your application portfolio today can work with solutions of tomorrow as a virtual suite rather than as separate application silos that become incompatible through software upgrades. A unified roadmap and aligned product strategy means security in your investment for the future.

Organizations want vendors that can provide a complete solution, not just deliver products. By taking a more comprehensive approach to understanding your business needs across your entire enterprise, Oracle can transform a simple product-based vendor relationship into a far more strategic partnership to help your organization achieve its business goals.

Key Takeaway: Carefully consider the number of vendors you will need to work with to implement a fully functional CRM solution that will meet your needs. While an array of partners and solutions may seem initially appealing, the intangible costs associated with evaluating additional partners, unclear accountability for problem resolution and product support, and potential product roadmap incompatibilities are often underestimated.

“Oracle is committed to standards. Oracle’s long term strategy is to build a CRM application that is open, extensible, and based on standards.”

— Anthony Lye, Senior Vice President, Oracle CRM

5. Standards-Based Solutions Offer the Safest Choice

A critical aspect of CRM evaluation includes an assessment of the extent to which vendors incorporate industry-standard protocols and technologies in their offerings. Proprietary standards controlled by a single vendor only help that vendor by creating customer lock-in and a higher entry barrier for competitors; these factors also stifle industry innovation and restrict the ability of an organization to easily scale its technology and application infrastructure over time as its requirements evolve. Choosing an application that is based on proprietary technology can lead to increased costs and risks. Organizations adopting proprietary standards are “locked in” and face risks if the vendor is no longer in business or chooses to no longer support the technology. In addition, proprietary offerings are often incompatible with other solutions and require a higher learning curve – increasing the cost and complexity of integration.

Open standards drive innovation among application vendors, providing a common foundation for building powerful applications and vendor neutrality. Solutions based on open standards last longer than a proprietary vendor solution and increase

vendor independence, decreasing the cost of changing vendors and offering organizations more options. Because multiple vendors and a multitude of developers work on open standards, the entire community benefits as innovations are introduced, increasing flexibility and options. Having more developers working on set standards translates to higher quality solutions. Open standards also lead to quicker integration efforts with improved interoperability – integrations are simpler when applications are based on the same set of standards.

Oracle’s product development strategy is based on open standards to help organizations reduce complexity, gain maximum leverage from existing technology investments, minimize risk, and ease the process of integrating applications. For example, Oracle’s Application Integration Architecture provides an open, standards-based framework for integrating business processes across leading industry applications – giving sales agents a true 360 degree view of customer information across applications at the point of customer interaction. By embracing open standards, Oracle delivers the safest choice with the interoperability, flexibility, reusability, and extensibility needed to protect your applications investments.

Key Takeaway: Beware of vendor “lock-in” and go with a CRM provider that is dedicated to open standards to ensure the longevity of your CRM solution.

“Oracle’s CRM product lines...are among the leading solutions in almost every aspect of CRM technology, comprehensively outpacing all other competitors.”

— Decision Matrix: Selecting a CRM Vendor (Competitor Focus), Datamonitor, August 2007

6. Unrivaled Experience and Leadership Help Ensure CRM Success

CRM systems can represent a significant investment, and organizations want to ensure that over the long term, their vendor will continue to lead, innovate and provide them with choices that help drive and transform their business. With over 30 years experience as the leading enterprise software company, Oracle understands the needs and pain points of organizations of all sizes and the requirements they have to get their system running, performing, and producing tangible business results.

- **Leadership in Applications and Technology.** Consistently rated #1 by leading industry analysts and publications for its applications spanning CRM, Supply Chain Management, and Human Capital Management as well as technology areas such as database and middleware, Oracle offers the functional depth, breadth, and insight organizations need to get the job done. 37,000 customers benefit from the shared innovation across Oracle’s market leading application product suites. In CRM, our solutions were recently rated as a leader in five Gartner Magic Quadrants and as the leader in 11 Forrester Wave reports
- **Unmatched CRM expertise.** With more than 4.6 million users deployed across more than 5,000 customers of various sizes and industries gained during the last 14 years of CRM leadership, Oracle has the most domain and industry-specific expertise to make customers successful. This includes one of the world’s largest consulting organizations – more than 11,000 consulting professionals support Oracle customers and partners in more than 145 countries – and an award winning support organization. Oracle is firmly

committed to a superior ownership experience for its customers. No other vendor can match Oracle's breadth of application and industry expertise.

- ***Veteran in on-demand offerings.*** As an on-demand leader, Oracle offers the broadest portfolio of subscription and managed services for more than 3.6 million end users. And unlike other vendors that outsource their management and hosting operations, Oracle invests heavily in its award-winning Austin Data Center to provide the highest levels of application performance, scalability reliability, and security.
- ***Focus on innovation.*** Oracle has invested over \$2.19 billion in research and development in the last fiscal year, as well as over \$25 billion over the last three years in acquisitions of key products and technologies, to deliver high-quality, innovative, and comprehensive solutions that ensure its customers can keep pace with ever-changing business needs, from technology and application infrastructure to the newest trends in deploying Web 2.0 applications for corporate users.

"Oracle always finds a way to stay on the edge and lead the next charge. We have an addiction to innovation and that lies at the heart of the company."

— Charles Phillips, President, Oracle Corporation

Key Takeaway: Niche players come and go. Choose a CRM vendor that has a proven long-term track record of continuing customer success and innovation.

CONCLUSION

When it comes to delivering enduring customer value, no one is a better partner than Oracle with its history of providing high value software solutions for more than 30 years. With its holistic software portfolio and extensive industry expertise, Oracle has a unique understanding of the business challenges enterprise organizations face and offers strategic solutions to help them succeed – such as Oracle's unique Applications Unlimited and Lifetime Support Policy, giving customers the freedom to choose how and when to upgrade to its next generation Fusion Applications, or employing standards with its Application Integration Architecture strategy to enable true end-to-end business process integration across front and back office systems and protect an organization's existing investments. By employing a high growth business model, acquiring best-of-breed technologies, and spending more than two billion dollars per year in development, Oracle continues to innovate, add to the breadth of its offerings, and create a superior user experience – providing exceptional business value to customers. No other vendor matches Oracle's customer focus, ensuring a demonstrable return on customer investments and delivering long-term value.

For more information, please call 1-866-906-7878 or visit www.crmondemand.com.



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