

Source: IDC

What is Collaborative CRM?

dbix core offering, the ix Enterprise Suite, is a combination of both Collaborative and CRM Applications due to the functionalities of its components, ix CSI, ix Biz and ix Framework. Such combination is classified by IDC as Collaborative CRM applications software. Since this terminology is relatively new in the worldwide software market, IDC discusses below the relationship of the two and how Collaborative applications are applied in tandem with CRM applications.

Relationship between Collaborative and CRM Applications

The intersection of CRM and collaboration offers the potential for significant benefits to employees, customers, and entire organizations. Realization of this has led some developers of CRM applications to add collaborative attributes and to begin referring to these products as collaborative CRM applications. IDC asserts that these do not represent an entirely new class of application but instead reflect a broader trend toward contextual collaboration in which collaborative technology and functionality is integrated with or embedded in a range of business applications and processes, from CRM to product development management (PDM), involving either single- or multi-vendor solutions.

IDC believes that these collaborative CRM applications can provide organizations with the new tools for working and interacting more collaboratively and efficiently internally with co-workers and externally with customers and partners. In addition to helping resolve issues more quickly and effectively, collaboration can enable business decisions to be made faster and more accurately and can provide a structure and reusable repository for the ad hoc discussions, emails, messages, and other actions relating to the CRM process.

However, collaborative technologies are not a solution or panacea for CRM. Although collaborative technologies make it easier for individuals to work together toward a common goal through idea generation and information sharing, collaboration can be hindered by human nature, organizational politics, or other internal process issues. The challenge in today's CRM environment is to create a natural environment in which collaborative technologies aid the CRM process without significant training requirements or process changes. Ultimately, the goal of CRM is to better identify, reach, market to, and serve customers. Greater collaboration has the potential to be a facilitating function of existing CRM applications and processes as there are many customer 'touch points' in an organization. An example is the sales and invoicing departments communicating with the customer on a separate basis today – this is likely to cause many 'miscommunications' with the customer if the sales and invoice departments do not collaborate together. Not only does collaboration within a company take place, but with its business partners as well, making the relationship with the customer more complex in today's environment.

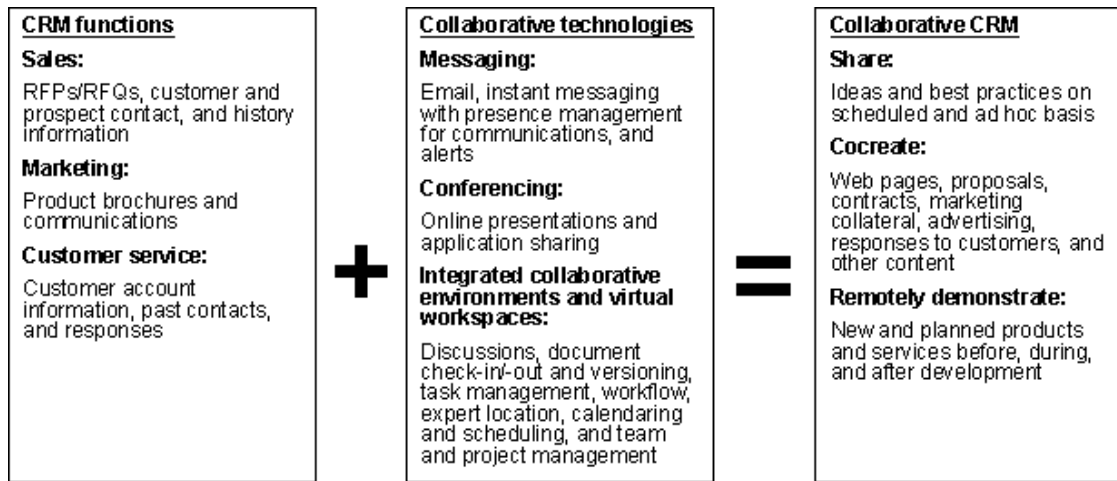
Applicability of Collaborative Technologies in CRM Contexts

Applying collaborative technologies to CRM functions offers the potential for tremendous benefits for employees, managers, customers and others involved in a wide variety of customer interactions. As stated in the definition, CRM applications automate the marketing, sales and customer service functions within an organization. Perhaps the first and most obvious use for collaborative technologies is in customer service and contact centers. And in fact, this is where a number of collaborative technologies are appearing as partnerships or being added to applications.

Various CRM functions and collaborative technologies can come together to enable suppliers and their customers to facilitate collaborative CRM. See Figure 3 for a look at the range of intersections.

FIGURE 3

CRM Functions, Collaborative Technologies and Collaborative CRM



Source: IDC, 2004

From the CRM applications perspective, thus far in the evolution of CRM applications, much of the application functionality has been directed at automating transactional, database types of information and processes. CRM systems to date have done a great job of tracking name, account number, street address, and purchase history of customers. However, a customer's interaction with an organization is not limited to name, account number, and history sorts of problems or information. Today's crop of CRM applications is deficient in applying this data to solving a customer issue that may involve two or more individuals collaborating. Historically, these applications have been better at being static repositories of customer information, well-suited to identifying and tracking customers and their buying behavior than being instruments through which ongoing service (and presumably retention) of these customers is performed.

Today's CRM vendors are not blind to the need for collaborative technology and many have added collaborative features, sometimes referred to as

attributes, either natively or through integration of third-party technologies. The basic characteristics of a traditional CRM application remain the same. That is, CRM applications are still tools used within an organization to automate the business process of customer interaction. However, some CRM applications now just change the way that this business process happens to involve two or more people, either in real time or non-real time. These changes represent an evolution in CRM applications, rather than the creation of an entirely new market or product category.

A key aim of collaborative CRM is to structure much of the collaboration that is already taking place during the customer service process. Telephone messages, email, chat, conferencing, and VOIP can all be stored and linked to a customer file or to a campaign record, to support reuse, compliance, quality control, or any kind of record keeping. The emerging class of unified data repositories from database vendors such as IBM and Oracle and from content management vendors such as Documentum and FileNet is being embraced by CRM vendors such as Siebel Systems and storage vendors such as EMC and may help to further the goal of structuring all relevant collaborative content.

Within the CRM context, collaboration can occur internally and externally. For instance, salespeople using a sales force automation application can work together on a sales proposal or presentation for a certain client while internal support staff using a customer service and support application can have a live chat or IM session with a customer.