

WHITE PAPER

The Convergence of CRM With the Ecommerce Platform





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Since the dawn of new technology, a pattern has repeated itself: A challenge emerges and software providers rush to deliver a solution. Then, with time, that solution becomes part of a more powerful, integrated experience.

Take the web browser, for example; it was once a standalone solution and has now been absorbed into the current operating system, which incorporates a wide range of other tools that were also previously sold as standalone products.

As we look to the next evolution in technology, there is a clear case to be made that Customer Relationship Management (CRM) systems will logically converge with the ecommerce platform.

It seems inherently obvious that a company would want to have a single system of record for customer information and interactions, as well as the customer's commerce transactions.

In B2C ecommerce, the next-generation convergence of CRM and the ecommerce platform introduces a wealth of new possibilities to monitor and measure everything that happens online and capture every interaction with a customer or prospect—both automatically and on a massive scale. Combining interaction and order data in a single repository will enable the ability to drive dynamic and personalized merchandising and offers online.

Despite the undeniable value of capturing and analyzing as much customer information as possible, the traditionally separate worlds of ecommerce and CRM have made integration economically unviable. Most companies would agree that recording all customer actions on an ecommerce site is useful, yet few are willing to make the investment to replicate that data into a separate CRM system. The only way to achieve this goal is to build CRM and ecommerce directly on the same platform, creating a single data source.

Another factor that is driving towards integrated CRM and ecommerce is increasing awareness that the traditional linear transaction funnel is obsolete. In today's digital, mobile and social world, customer

interactions with a brand leading up to a sale are far too frequent, haphazard and variable to fit that old-school linear model.

In the old world of commerce, where transactions were driven through sales people, each interaction was focused and time consuming.

Today, a CRM system needs to adapt to micro-interactions, even if it is just a quick visit to a website while standing in line to order a sandwich.

This may not be a deep or meaningful interaction, but it is certainly one that is helpful in understanding the customer's purchase intent. But without an integrated platform, it's unlikely that such an interaction would ever be properly captured.

It is not only consumer behavior that can and should be tracked with a next-generation CRM system—traditional Sales Force Automation (SFA) in B2B markets can also benefit from a commerce-aware customer system. Certainly, a sales representative managing a portfolio of accounts does not have the bandwidth to consistently communicate with every customer. When CRM capabilities are added to B2B websites, sales reps have much greater visibility into products or services an existing customer may be investigating on the website, improving sales effectiveness.

Taking this a step further, the integration of CRM and ecommerce provides a foundation for customer self-service, including features such as reordering, a consolidated view of account status, returns and order status. This self-service capability has traditionally been challenging to implement because the necessary information usually lives partly in the ecommerce system and partly in the CRM system. An integrated system obviates the need to reconcile data across two applications while improving the customer experience and, likely, sales.

Transforming a CRM system to become a comprehensive commerce platform is not a realistic expectation. What's more likely is for ecommerce platforms to start moving beyond being purely transactional systems and toward systems that provide the foundation of the customer relationship.

Once CRM capabilities are embedded in an ecommerce platform, the ability to capture and connect all interactions and transactions, present relevant products and make attractive offers will only be enhanced, rendering both CRM and ecommerce as better solutions than either was as a standalone.

While the technology challenges presented when integrating standalone CRM and ecommerce can be daunting, finding a vendor that offers both capabilities natively integrated will multiply your returns.



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