



SERVICE &
SUPPORT AT THE
SPEED OF THE
CUSTOMER

A Frost & Sullivan White Paper

“Partnering with clients to create innovative growth strategies”

TABLE OF CONTENTS

TABLE OF CONTENTS

Introduction	3
Customer Lifecycle	6
Integration and Customization	8
Flexibility	11
New Product and Service Introduction	12
New Markets	13
Other Change Scenarios	13
Case Study: In Just Four Months, Borland Transforms its Support Organization	13
The Future of Customer Service	16

INTRODUCTION

Despite reams of sound theory written about it and a decade's worth of technology thrown at it, customer service remains one of the thorniest problems for enterprises large and small. Vocal dissatisfaction with customer service and support has hit an all-time high—the Internet is chockablock with Websites devoted to itemizing, in minute detail, painful, fumbled and bungled customer service interactions. The larger the enterprise, the more likely it is that a Web site exists that sports tips about paths for end-runs around poorly designed self-service systems or uninformed customer service agents.

At the same time, 'customer experience' has turned into the buzz-phrase du jour. Enterprises of all sizes are now looking towards their customer service and support applications to better manage this notion of experience, of a full 360-degree view of every customer and to provide relevant information at every point in the customer lifecycle. Across the spectrum of industries and company sizes, enterprises have started to adopt a new tone when it comes to customer interactions. Where enterprises once spent reams of dollars on call deflection technologies and focused on perfecting contact center efficiency and productivity, now improving the customer experience and contact center effectiveness has developed into top priorities. Extremely poor press around interactive voice response systems and other low-cost self-service technologies seemingly reflect the public's soured mood about the level of customer service being provided by corporations in North America. The mainstream media have even been creating news stories that discuss the mechanics and infrastructure of contact centers. This din of bad buzz caused enterprises to rethink their approach to customer interactions and to begin reframing their messaging to include customer-centric slogans.

For many, this new mantra is clearly just a marketing tool with little in the way of teeth and will not transmute their customer interaction methods into customer-centric processes. But, for the savvy enterprises, the new focus on customer experience will send them looking for the proper tools with which to arm their customer-facing employees. Frost & Sullivan believes that the stakes here are quite high: for enterprises that can actually provide customers with a positive user experience—customer service tailored to their needs, no need to endlessly repeat customer information, customer service agents armed with the correct information at the correct point in the interaction, etc.—the gains in customer satisfaction and customer loyalty lead directly to increased revenues. This renewed spotlight on the technology that powers customer service interactions has revealed the numerous shortcomings of traditional on-premise customer relationship management (CRM) application suites, as well as of many specialized customer service-specific applications.

For years now, enterprises have been struggling to force-fit their processes into the framework of large, inflexible CRM suites—and the results have been routinely and exceedingly disappointing. Despite millions of dollars spent with professional services providers for customization and integration, enterprises have been unable to adapt the

suites to work the way the company works, to get the suites to provide the right actionable information in the right format for each customer interaction or to use the technology to transform customers into advocates or to help improve the lifetime value of those customers. Where CRM suite vendors promised enterprises that they would be able to create a 360-degree view of every customer during every interaction, the reality has been a tangle of disconnected systems that leave customers completely frustrated. Because of the failure of traditional CRM applications to deliver, the exasperating experiences of repeating identification information at every stage in an interaction, of having phone agents unaware of previous email-based interactions or of customer support representatives seeming to be uninformed about previous orders will seem all too familiar to any modern consumer.

Enterprises have seen a clear need to provide all the employees in their organization with a consistent view of the customer. At the same time, the enterprises are starting to look for ways to provide their customers a consistent view of the enterprise. In the first case, enterprises that have a consistent view of the customer—across customer service, sales, finance, marketing and operations—can identify additional sales opportunities, but can also provide better customer service. Salespeople will know what problems existing customers are experiencing and they can craft a sales strategy to help address those concerns; in the same manner, customer service representatives should have direct visibility into the sales process as well as the order management, shipping, returns and financial processes. In the latter case, customers will feel stronger brand loyalty—they will feel that they are dealing with a single organization that ‘knows’ them and cares about their concerns, whether they are speaking to sales, marketing or customer support. This situation—providing a consistent user experience across all facets of an organization—we firmly believe occurs far too rarely and represents one of the greatest missed opportunities for enterprises today. As evidenced by the growing sense of dissatisfaction among consumers, CRM systems have failed to provide a useful mechanism for creating either idea of a 360-degree view. Customers feel that, in the enterprises with which they deal, the left hand rarely knows what the right hand is doing.

More crucially, enterprises, faced with an urgent necessity to be flexible and responsive to change, have found that their technology habitually fails to support that need. Enterprise customer service processes must be able to adapt for new product introductions, new service offerings or entry into new markets. New products and services, for example, require the rapid creation of new knowledgebases, providing access to those knowledgebases to the pertinent employees, as well as the integration of that knowledge into the overall customer service chain. The same holds true for ramping up an organization, either through mergers and acquisition or through organic growth. Frost & Sullivan’s clients have repeatedly pointed to the problems they face in all sorts of situations where they expect rapid increases in customer interaction volumes: new products, new markets, shifting market dynamics that cause a rapid rise in demand, acquisitions, etc. While there are telephony-based systems to help route the increased number of contacts, the actual front-line personnel providing the support have received little assistance from the technology theoretically designed to bolster their efforts.

To truly capitalize on these new market events, enterprises must have technology that supports their need for flexibility. It is not enough to be able to spot new opportunities on the horizon or to develop new processes; the technology must assist enterprises in constantly honing and improving the processes. Customer service technology, we believe, must allow for continuous improvement. Rapid, flexible and adaptive should be key words that enterprises use to describe their customer service applications—but when was the last time anyone heard enterprises use such verbiage to depict the capabilities of the old guard of CRM suites?

The customer service flexibility picture looks even worse when one considers regulated industries. Just as the national Do Not Call Registry completely altered the face of outbound telemarketing, other industries confront the need to unearth methods of constructing thriving businesses while tracking new regulations coming down the pike, modifying existing processes and creating new processes to comply with those new regulations, and then remaining vigilant about staying firmly within regulatory compliance. Again, time-to-change is a key—and a key failing point for inflexible systems that do not allow front-line employees to adapt to changing circumstances. The importance of regulatory compliance cannot be overstated. Using the Do Not Call Registry as an example, in the fall of 2007, the Federal Trade Commission announced a law enforcement crackdown on companies and individuals accused of violating the requirements of the Registry. That crackdown resulted in six settlements that collectively imposed nearly \$7.7 million in civil penalties.

And, to compound all of these problems, traditional approaches to CRM have been painfully time-consuming. The initial deployments of these systems has almost always been measured in months and years; any subsequent changes required to respond to changing market or enterprise conditions are performed on an equivalent timescale. That timescale, however, seems downright glacial when external conditions can create 'adapt-or-fail' situations for enterprises. In summary, traditional CRM provides enterprises scant measurable value and it takes an unconscionably long time to achieve even that minimal level of utility.

The demand from enterprises for adaptable customer service tools that supply a truly rapid time-to-value has not fallen on deaf ears. Salesforce.com, the pioneer of on-demand customer relationship management services, designed its award-winning service from the ground up to circumvent these issues. Because the design of Salesforce.com Service & Support allows enterprises to rapidly deliver customer service, as well as to quickly modify the look, feel and underlying business processes of that service, the problems enumerated above simply do not apply for Salesforce.com customers. Salesforce.com provides an extremely rapid time-to-value by allowing enterprises to manage the entirety of the customer lifecycle, to do so without the integration and customization hassles and costs associated with on-premise CRM suites and, most importantly, by making it undemanding for enterprises to respond to the ever-changing business environment.

CUSTOMER LIFECYCLE

Enterprises have realized over the past few years that customer service does not occur in a vacuum, that the interactions that it has with customers when the customers need service or support influences—and are influenced by—interactions to do with sales and marketing. CRM applications, however, provided no true insight into the customer lifecycle. Customer service interactions may be tracked, but they remain disassociated from sales and marketing activities and that means companies miss opportunities to transform service into sales, lost revenue and lower customer satisfaction. If an enterprise can actually see all activity associated with a customer at every point in the customer lifecycle, it can make more intelligent decisions. For example, although two customers may call into a contact center with an identical service issue, an enterprise can differentiate the service it provides the customers if it can see that one customer is in the midst of a lengthy sales process, while the other customer has had no further contact with the company since the initial product purchase. That information could also make the timing for an upsell offer perfect for one customer, but simply a bad idea for the second customer.

When an enterprise lacks visibility into the full customer lifecycle, it cannot make informed, useful and profitable decisions like these. But when an enterprise has the ability to make such decisions, it can segment, provide service and sell to customers based not only on generalized demographic traits such as geography, but also customer behaviors that can and do change at each stage of the customer lifecycle. The enterprise can adopt a significantly more complex segmentation model than it could ever dream of before and these segmentations can shift dynamically to meet changing realities. The underlying idea is simple and, at the same time, compelling: with a set of tightly integrated applications, enterprises can respond to customers' changing needs in real time, adapting to changing conditions so they can respond in a manner that exactly matches the customers' preferences of the moment.

Salesforce.com's on-demand applications again avoid these issues by design: all customer touch points provide a complete view of the customer through integrated sales, marketing and service applications. All of the applications use the same customer information and any changes made in one application is immediately reflected in the others. The Salesforce.com family of applications stores a complete customer history in a single centralized location—including all marketing campaigns, sales opportunities and pipelines, customer service cases, both open and closed, as well as all customer interactions. Customer service representatives can access all the details they might need, including a history of past service inquiries, a list of the products or services the customer has purchased, as well as the customer's service entitlement. Using Salesforce.com Service & Support, customer service representatives and contact center agents provide more effective service because they can retrieve all account data, including contact information, relevant documents, partners involved in the account and up-to-date histories such as the customer's organization chart. Furthermore, because of this central repository, when a customer calls into a contact

center with a service problem, the case created can immediately be seen by an enterprise's salesforce, marketing staff and C-level management.

But it not just cross-functional processes that suffer without full visibility into all customer activities; customer service across multiple channels also loses its impact. When enterprises face siloed stores of information for agent-assisted service and for customer self-service, customers will feel there is absolutely no continuity of user experience. A customer self-service Website, for example, may provide sophisticated self-service capabilities to help customers diagnose their own issues. When those customers, however, call into a contact center, an agent may provide them with a completely different answer. The agent may also have no record of a customer's previous self-service interactions and might, therefore, provide a solution that was already unsuccessful. Such redundant and fruitless interactions cause a great deal of customer frustration, lower customer satisfaction and increase the probability of customer churn, while reducing relevant openings for revenue-enhancing cross-sell pitches.

With broadband Internet connectivity now the norm, customer self-service has become somewhat a way of life. Customers want a method for solving their own issues before subjecting themselves to a phone queue in a contact center. Salesforce.com's Web 2.0-powered Customer Portal helps drive greater customer loyalty through customer-driven communities. By accessing the Customer Portal, customers can perform intuitive searches for solutions to their issues, create and log new support cases on their own, plus check, update or close existing cases on their own schedule, at any time. They can also search through an enterprise's knowledgebase—or only the portions of the knowledgebase the enterprise chooses to expose to the general customer base—and previously resolved cases. Because the Customer Portal is the exact same platform as the application used by customer service representatives, enterprises never face out-of-sync data or disjointed user experiences. Customers will receive the same answers whether they opt for the self-service route or the agent-assisted route.

Since customer bases are not uniform in their needs, the Customer Portal can be quickly and simply customized to meet each constituency's unique needs. The sophisticated segmentation inherent in the Customer Portal means that enterprises can easily provide a targeted user experience, without sacrificing great service for any users. Enterprises can also construct multiple portals for different service levels; this way, each group only accesses the information most relevant to their needs. And each portal can have a completely distinct look and feel. With the aid of an easy-to-use style editor called Visualforce, enterprises gain complete design control over the look and feel. Enterprises can create branded portals with their own style schemes, altering fonts, colors, layouts and even custom layouts based on individual user profiles. As an example of the benefits of such segmentation, Frost & Sullivan worked with a telecommunications provider in Central America that segmented its customers by products purchased. The self-service portal allowed individual consumers to check on billing status; the same portal allowed companies to initiate service cases. This allowed the telecommunications provider to position their portal as a value-added service for its higher value corporate clients, while still providing the services most desired by its consumer-level customers.

Because no self-service solution can be completely exhaustive, customers occasionally cannot resolve their issues without some help from specialized service personnel. The Customer Portal enables such customers to fill out a customized and branded form in the portal to submit a new customer service case. That case is then run through an enterprise's assignment rules and automatically assigned to the best matched customer service agent or queue. If a customer chooses to send a free form email instead of a more structured Web form, the Customer Portal's automatic email-to-case functionality routes service inquiry emails to the appropriate agent or queue. So, even when self-service does not solve the issue, the customer sees the enterprise as providing excellent and targeted customer service. In this way, Salesforce.com's Customer Portal drives greater customer loyalty and helps transform run-of-the-mill customers into customer evangelists.

INTEGRATION AND CUSTOMIZATION

CIOs have long and hard experience that proves that CRM holds little value for mitigating risk or cutting costs unless it is incorporated into larger business processes—which means integrating the applications with other enterprise applications—in order to align the customer-facing processes with larger business objectives. C-level executives think about end-to-end processes: a common example would be the order-to-cash process, a process that encapsulates a variety of smaller business processes from order entry to cash receipt. The order-to-cash process typically starts with CRM applications such as campaign management and salesforce automation, then moves to ERP for order entry, and then on to supply chain for inventory management and shipping. The process then shifts to the finance applications for invoicing and accounts receivable before ending up back in the CRM world for service management and after-sales service. Enterprises that can improve elements of the order-to-cash process, such as reducing aging in invoices, can reap improvements in cash flow in the millions. But the traditional client/server CRM suites make such crucial tasks nigh on impossible to achieve in a timely and cost effective manner.

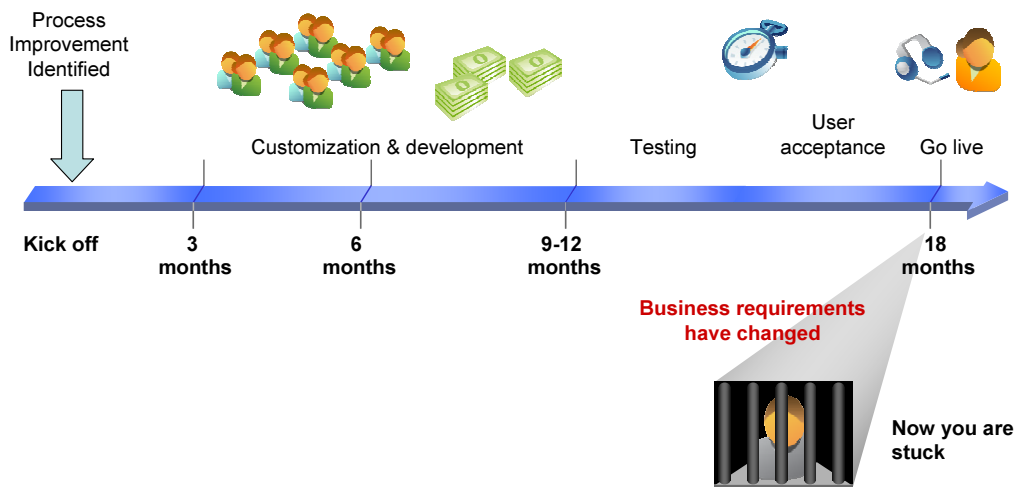
There is an old industry joke: What does CRM stand for? The answer: consultants raking in millions. Traditional on-premise CRM suites rely on a contractor model: an army of third-party professional services providers, charging huge sums of money, are required to design, implement and integrate CRM. Because of this, time-to-value is a real and pervasive problem with on-premise CRM implementations. The costs for implementations and integrations dwarf the purchase price of the applications—often coming in with a price tag five or more times that of the initial purchase price.

Even more central to enterprise concerns, Frost & Sullivan believes, this endless implementation and integration process translates directly into missed business opportunities. Enterprises looking to implement client/server CRM applications go through numerous time-consuming steps: requirements gathering, customization and development, testing, user acceptance as well as the actual go-live process. In total, these processes can take far more than a year. Even if the applications lived up to their promised functionality, if an enterprise does not have access to them for 18 months because of implementation and

“Time-to-value is a real and pervasive problem with on-premise CRM implementations.”

integration time lags, the enterprise will fail to capture all the potential opportunities during that year and a half. And to compound matters, once an enterprise finally has their shiny, new CRM system deployed, it is targeted at an outdated set of business realities. When enterprises deploy traditional client/server CRM, the development cycle includes a long requirements gathering phase. This is because the requirements must be locked down before the actual deployment. In essence, the enterprise must guess what it will need many months or even more than a year into the future and then struggle with an inflexible system when those guesses prove inaccurate. During long implementation cycles, Frost & Sullivan clients have seen territory management strategies dramatically shift due to new sales management; new product introductions require new types of unplanned for service level agreements; and mergers that required completely new object models. But because the enterprises had passed the lock down point in the implementation, the functionality they received was stuck serving needs they no longer had.

Traditional Technology - Inhibitor to Customer Innovation



Source: Salesforce.com

In the intervening months, the market environment will likely have shifted and internal enterprise priorities and goals will have been modified. But, of course, at that point, it is too late for the enterprise and the CRM system will be deployed in its original design, and often at a cost of millions of dollars. Any future iteration will have to go through a similar design and development cycle—taking many more months. This problem leaves enterprises chasing after an elusive goal because the software can never really be deployed to meet current needs.

This predicament is, unfortunately, something of a self-perpetuating problem, for enterprise software does not remain static. Eventually, the suite will require an upgrade and that process will require a return of the professional service providers to ensure that previous integrations and customizations are not lost in the deployment process. Enterprises are required to shell out massive capital outlays for maintenance—often close to 25% of the net licensing fee. This means that enterprises are paying for the privilege of the upgrades and fixes that need to be managed. Those upgrades also require yet another planning, development and deployment cycle. This model is inherently untenable in the long-term for any organization operating in a dynamic business climate.

Conversely, for enterprises that choose to deploy Salesforce.com Service & Support, the long requirements phase will be dramatically reduced, since development cycles are measured in days. Additionally, because Salesforce.com features point-and-click customization of both look-and-feel objects and of underlying business processes, enterprises can rapidly react to changing conditions by altering the application. Major upgrades of the platform and of the Service & Support applications from Salesforce.com are done automatically—and all integrations and customizations are seamlessly transferred in the process. This allows enterprises to focus on innovation and not on infrastructure.

The key to Salesforce.com's flexible approach to integration is Force.com Connect, a far-reaching set of technologies built on top of the Force.com Web Services API that make integration a significantly simpler proposition. Force.com Connect provides enterprises with five distinct proven, and fast, integration methods.

1. Salesforce.com offers pre-built integration with the leading back office application suites via native ERP connectors. Enterprises will, for example, find it surprisingly easy to synchronize customers and accounts across Salesforce.com and SAP and Oracle | i ERP applications
2. As part of the extensive development eco-system that has developed around Salesforce.com's platform, Salesforce.com is certified with the most common integration middleware solutions including IBM, Tibco, and Cast Iron. Salesforce.com has more than 40 enterprise-class integration middleware partners that have developed their own pre-built connectors for integration with applications as diverse as all major ERP applications, to custom contract and billing applications, to mashups with leading industry data sources such as Hoovers and Dow Jones and finally CTI integration to provide screen pops and click-to-dial capabilities to customer service agents.
3. For enterprises looking to building custom integrations, the Force.com platform supports all major development environments and tools and provides a world class web service API. This method will be especially useful for enterprises that choose to build integrations with .NET, Java, Ruby on Rails or mashups.

“Salesforce.com... allows enterprises to focus on innovation and not on infrastructure.”

4. Salesforce.com developed the world's first Web marketplace for on-demand applications, the AppExchange directory. The AppExchange now sports hundreds of pre-integrated applications that run on the Force.com platform. Enterprises can search, sample and select from over 800 components and applications that can be integrated with no more than the click of a mouse. Enterprises can test AppExchange applications on a mirror of their actual Salesforce.com implementations, using their own data. This unrivaled level of extensibility, married with an easy method for testing out the functionality of AppExchange applications and components, is something entirely unheard of in the on-premise enterprise application world.

5. More than two-thirds of Salesforce.com customers now integrate with a desktop productivity solution today. For rapid integration to leading desktop productivity tools such as Microsoft Outlook, Lotus Notes, Microsoft Excel and Microsoft Word, Salesforce.com provides native desktop connectors.

Force.com Connect means no more integrations destroyed by a product upgrade, no more intricate technology dependencies and no more vendor lock in. This model has proven so successful that Salesforce.com's customer base now supports more Force.com API transactions (more than 1.6 billion per month) than Salesforce page views. With thousands of customers creating integrations with everything from desktop applications to mission-critical backend data sources in their enterprise systems, Salesforce.com has proven that it supports the integration needs of organizations large and small. And it does so in days or weeks, not in months or years.

For enterprises using Salesforce.com Service & Support to power agent desktops, the company and its partners have created more than 70 telephony integrations, including integrations to all of the leading call distributors and CTI platforms. These include integrations to both on-premise and on-demand systems and they provide a rapid way to provide screen pops of account information, or any other desired data stored in the Salesforce.com system. Since agents are forearmed with the relevant data, they are much more likely to be able to solve the customer's issue in a single interaction, and to do so in a personalized manner that drives customer loyalty.

FLEXIBILITY

The Salesforce.com solution, and the on-demand model that supports it, enable enterprises to have an unprecedented level of adaptability in their customer service and support operations. To prove this point, let's compare the difference between some typical enterprise scenarios for enterprises using on-premise applications and those using Salesforce.com Service & Support and the Force.com on-demand platform.

“Force.com Connect means no more integrations destroyed by a product upgrade, no more intricate technology dependencies and no more vendor lock in.”

“Salesforce.com has proven that it supports the integration needs of organizations large and small. And it does so in days or weeks, not in months or years.”

New Product and Service Introduction

When an enterprise unveils a new product, the service and support processes must obviously change. At the most basic level, new knowledge documents must be created, new codes and options added to fields in case history and service resolution forms and agent skill sets updated to include expertise with the new product. For more mature cases, enterprises might choose to create overflow queues to deal with increases in incoming contact volumes. With traditional CRM applications, these changes require resource commitments from developers, business analysts and IT staffers—and usually several iterations to match their technical work with the line-of-business need. None of these changes can be effected quickly.

New service offerings can also require wholesale changes in customer service processes. A new tiered service offering, for instance, can require new processes to ensure compliance with service level agreements (SLAs), which in turn can require a rejiggering of call routing rules and new service process workflows. Again, with traditional CRM systems, such changes will not happen quickly.

On the other hand, Salesforce.com allows line-of-business staffers—the very people with the most intimate knowledge of required changes—to use point-and-click tools to create custom workflows that automate actual new business processes. Unlike many other on-demand systems that allow only for basic cosmetic changes, Salesforce.com has armed its point-and-click customizations with real teeth. Customer service managers, for example, can use the extremely intuitive system to redefine case assignment rules or to completely revamp the escalation rules.

Let's use a company introducing a new consumer product as an example. Its old process assigned an incoming case to an agent based on a set of business rules, but it has now come out with new service offerings that include new escalation rules SLAs. A manager can use a point-and-click interface to create a new escalation workflow that is kicked off in concert with the assignment of the case to an agent. Now, if the agent has not touched the case within thirty minutes, the workflow automatically reassigns the case to an available agent. This new assignment also invokes the escalation workflow; if the new agent does not touch the case within twenty minutes, the system kicks out an alert to a customer service supervisor. This process can be extended to promote improved service; if, for example, the manager takes no action for 30 minutes after receiving an alert, the workflow can create a management alert. Or the call could be routed to a specially-trained agent pool if the call remains unresolved for 30 minutes. Because of the intuitive workflow construction tools, those elaborate process changes can be made in mere minutes and provide enterprises with the flexibility required to create dynamic customer interaction organizations.

New Markets

Companies entering into new geographic markets face a unique slate of challenges in customer service and support. A new geography often creates a need for a new, local contact center with new language or other localization issues. Additionally, as product offerings are often differentiated by markets, entry into a new market can also require the construction of a new product hierarchy and potentially a new series of service offerings.

Again, Salesforce.com's adaptable on-demand applications allow for such rapid changes. But, the company also offers its applications in more than 15 languages and each user can be assigned a different language to match their individual skills and preferences. So, a single Salesforce.com deployment can have agents in Asia using a Japanese language interface, offshore agents in Brazil using a Portuguese interface and customer service managers tracking and analyzing operations with an English language interface. Salesforce.com also offers multi-currency support that allows users to track opportunities, forecast and run reports, and measure the results of campaigns with localized elements. Salesforce.com is, in fact, the only on-demand application supplier to provide such a broad array of language and currency options, and to allow real-time switching between the numerous options.

Other Change Scenarios

By now, it should be clear that Salesforce.com's flexible on-demand platform empowers customer service organizations to adapt to changing conditions, and to do so in a time scale that makes those adaptations actually effective. The flexibility detailed above also extends to regulated industries, including utilities, healthcare, etc., that must contend with statutes that can force changes to products, to services, to service processes, to workflows and processes. It also extends to crisis situations, in which enterprises must quickly alter agent scripts to provide up-to-the-minute meaningful information to customers and to maintain brand integrity. This plethora of change types is simply unthinkable in on-premise CRM systems, especially when those changes must be effected within hours.

CASE STUDY: IN JUST FOUR MONTHS, BORLAND TRANSFORMS ITS SUPPORT ORGANIZATION

Like many companies in the technology industry, integrated development environment and application lifecycle management pioneer Borland Software Corporation has grown over the years via numerous acquisitions. This process of incorporating numerous technology infrastructures left the company with disparate customer service and support systems, a mishmash of data and no clear way to successfully assimilate and integrate the acquired companies' systems and customers. The history of the modern Borland is typically convoluted: in 2001, Starbase, a provider of end-to-end collaboration products for both the creation and management of code and content for e-business applications, acquired Technology Builders (TBI), a leading requirements management application provider. About two years later, Borland acquired Starbase.

After the Starbase acquisition closed, Borland found itself with remnants of customer service applications and data from at least three different legacy CRM vendors: Pivotal (used by TBI), Onyx (used by Starbase) and Clarify (which Borland had been using). To show how these legacy systems make continuity of care even more difficult, all three of those CRM products are now owned and maintained by companies other than the ones that developed the applications. To try to provide a reasonable level of support to its demanding and technically sophisticated customers, Borland migrated and merged data sets into the Clarify system, but this process resulted in a system burdened with both duplicate and contradictory data.

More importantly, the company quickly realized that the legacy CRM system was not acting as a full enterprise resource. For example, while Borland was using Clarify in its customer support organization, the sales teams were using a different tool and the finance team was using an ERP system from a third vendor. Borland quickly uncovered numerous issues with its customer service tool:

- **Customization:** According to Gary Janos, Director of Technical Support at Borland, the company, “could not customize the tool the way we wanted at all. It was an extremely—and typically—clunky client/server application.” He adds, “We needed someone to sit in California and support the server, but we were a global organization and because of this tool, we could not act globally.”
- **Performance:** Borland also suffered from endless performance issues. The company’s users often found their clients could not connect to the server. “Everytime we had delays, we had to report delays to the IT organization and it took time to get the issue resolved,” Janos explains. “And who suffered with these delays? The customer.”
- **Self-service:** The self-service functionality embedded in the legacy CRM tool was extremely rudimentary. With Borland’s old CRM application, the company’s customers could create basic cases, but that was the practical extent of the ability for self-service. “Customers wanted more information – they could only see open cases, but they wanted full history reporting and they could not generate any reports at all. We had to do all the reporting,” Janos says. “We had to do manual reporting for those customers – good old manual generation of time-consuming Microsoft Excel spreadsheets.”
- **High annual maintenance fees:** Because of the pricing model of client/server applications, Borland had to pay a hefty annual fee for the privilege of using the inflexible, poor performing application.

That last indignity, combined with the company’s clear need to clean up its customer data as well as a change in the company’s sales organization, helped point Borland in a new direction—one that would revolutionize its customer support. In 2005, Borland’s sales organization switched to Salesforce.com and, according to Janos, started to see a renewed

“Customization requests that used to take months to complete are now measured in days and hours... customers get better service and our support staff can do their jobs better because of Salesforce.com.”

- Borland

sense internally that CRM application can actually make employees' jobs easier. The transition from a legacy client/server application to the on-demand Salesforce.com platform was smooth and user adoption was rapid and enthusiastic. Borland's customer support team took note.

Shortly after the sales move to Salesforce.com, the company decided it needed to look for a complete enterprise solution because its support processes were not in sync with other elements in the enterprise and, as Janos explains, Borland, "couldn't get a 360 degree view of our own customers, which was incredibly frustrating. There was always a disconnect between sales and support. We had to sneakernet between sales and support whenever a deal was on the table and too many crucial pieces of information were falling through the cracks."

Although the company considered bringing in professional services providers to help improve the functionality of its legacy system, as well as moving to another client/server CRM system from one of the old guard vendors, the overwhelmingly positive response Borland's sales team gave to Salesforce.com convinced the company to investigate its applicability to customer support.

Borland decided that Salesforce.com's on-demand model, its ability to provide an integrated view of the customer to both sales and support and its track record of success with the company's sales organization made it the right tool for the job. With an implementation that included staff from all areas of the business and all of the company's many geographies, Borland began the implementation process. In only three months, Borland migrated all of its data into Salesforce.com—more than 21,000 accounts, 73,000 support cases and 37,000 contacts—and trained its staff. In one more month, the application went live to more than 220 users.

Frost & Sullivan believes that had Borland decided to move to a client/server CRM application instead of Salesforce.com, its implementation and roll-out would have taken at least four times as long. Borland recognized the value of Salesforce.com immediately, "Just eliminating the hardware and the IT group that was involved in maintaining our old CRM application made us perceive a return immediately," Janos says. In one fell swoop, Borland cut its costs and its maintenance headaches.

Three months after the initial go live date, Borland rolled out a customer self-service portal. There are two primary uses for that portal:

- New product upgrade requests: "We used to get tons of phone calls that are now handled automatically by the portal," Janos points out.
- Authorized technical callers: Companies designate which employees are eligible to use the customer service and support. In the past, when a company wanted to change the authorized technical callers, it required a phone call into the Borland contact center.

With the self-service portal, customers can now change the authorized callers on their own, without any need for contact center agent involvement.

“With the new portal, we are seeing a clear drop in initial calls,” Janos says.

As an enterprise software company, Borland releases updates to its product sets, as well as new products, continually. To ensure customer support is prepared for these new products, the company needs to add new workflows for the support processes for those products, as well as all the database objects for that product. But, Janos says, the process is completely seamless and the company has been fully prepared for every new release. “It clearly was not like that with our old system.”

In its support processes, Borland uses a customer surveying tool. Prior to the Salesforce.com rollout, the process was labor intensive and the data was completely siloed. To ensure that the survey would go out at the close of every case, Borland’s former CRM tool had to make a call to kick off a survey and capture the data in the surveying application. That captured data, however, would never make its way back into the CRM system. “There was literally no place to store that information in the CRM system,” Janos explains. The implementation of Salesforce.com changed all of that. The company that created the surveying tool is a Salesforce.com partner and placed the application on the AppXchange. Borland quickly took advantage of the pre-built integration and now the process is a full-loop: Salesforce.com kicks off the survey, the survey data is collected and it is automatically routed back into the Salesforce.com account history. “Seeing that smooth process in action gets everyone’s juices flowing,” Janos says. “That element alone got everyone very excited about the move to Salesforce.com.”

The benefits that Borland has seen from the switch to Salesforce.com are also more tangible: Janos claims that the company experienced six figures annually in cost savings simply due to eliminating the maintenance charges. But the company’s support staff and customers are also seeing great benefits. “Customization requests that used to take months to complete are now measured in days and hours,” Janos says. “Sales and service are now on the same page when deals are pending. Customers get better service and our support staff can do their jobs better because of Salesforce.com.”

THE FUTURE OF CUSTOMER SERVICE

Customer service has become a make-or-break topic for customer relationships. Leading enterprises such as Borland prove that Salesforce.com provides the tools necessary to ensure that those customer service interactions cement customer loyalty.

Salesforce.com’s on-demand model provides the speed necessary for enterprise to keep pace with changing market conditions. As Borland’s example shows, development cycles are measured in hours and days, not weeks and months. The on-demand model eliminates infrastructure concerns—enterprises need not worry about large up-front capital

requirements for hardware and software, or long upgrade cycles that disrupt the business. Salesforce.com's multi-tenant applications put every customer on the exact same version of the software, ensuring that customers need not rebuild their integrations and customizations every time they upgrade to the next version. Salesforce.com has a proven track record: it has upgraded its platform and applications more than 24 times, without ever inconveniencing a customer. Salesforce.com's pricing model eliminates the enormous maintenance costs that dog customers using traditional client/server applications—and that one factor alone has shown proven savings in the six-figures for customers such as Borland.

Salesforce.com also facilitates superior customer service agent productivity. With Salesforce.com, any Web browser becomes an ideal unified agent desktop, with no client software to update or maintain. The agent desktop puts all the information customer service agents need right at their fingertips, including comprehensive case management tools using a single-click user interface, as well as seamless computer telephony integration that instantly provides all the relevant customer and case information to agents. This vastly increases agent productivity as it does away with the need to constantly re-enter account information.

The application's simple, intuitive interface requires minimal training for agents to become productive. And, since all of an enterprise's customer information is stored in the Salesforce.com database, agents have a full view of the customer, including customer history across sales, marketing, and support. In addition, Salesforce.com's proven array of integration options ensures that data stored in other systems and applications will be available to customer service agents when it counts. Borland's integrated survey process is only one of the hundreds of ways that enterprises are benefiting from this proven ease-of-integration.

Finally, Salesforce.com provides a rapid time to value for its customers. Salesforce.com deployments go live in a fraction of the time required for traditional on-premise CRM solutions. This means that the system is optimized for the challenges an enterprise faces today, not ones that were the hot topics two years ago. Borland's four month implementation process, while unheard of in the enterprise-level client/server world, is typical of the time to value experienced by Salesforce.com's customers. Because all enterprises are unique, Salesforce.com can be quickly and easily modified or extended to best match an enterprise's distinctive processes. For the majority of customizations, enterprises use an intuitive point-and-click configuration tool, with absolutely no programming required. And, all customizations are automatically carried forward with every system upgrade.

With Salesforce.com, enterprises can finally focus on providing compelling customer service, thereby cementing customer loyalty, and not on maintaining outdated, inflexible systems.

“Borland's four month implementation process, while unheard of in the enterprise-level client/server world, is typical of the time to value experienced by Salesforce.com's customers.”

CONTACT US

Palo Alto

New York

San Antonio

Toronto

Buenos Aires

Sao Paulo

London

Oxford

Frankfurt

Paris

Israel

Beijing

Chennai

Kuala Lumpur

Mumbai

Shanghai

Singapore

Sydney

Tokyo

Silicon Valley
2400 Geng Road, Suite 201
Palo Alto, CA 94303
Tel 650.475.4500
Fax 650.475.1570

San Antonio
7550 West Interstate 10, Suite 400,
San Antonio, Texas 78229-5616
Tel 210.348.1000
Fax 210.348.1003

London
4, Grosvenor Gardens,
London SW1W 0DH, UK
Tel 44(0)20 7730 3438
Fax 44(0)20 7730 3343

877.GoFrost
myfrost@frost.com
<http://www.frost.com>

ABOUT FROST & SULLIVAN

Frost & Sullivan, the Growth Consulting Company, partners with clients to accelerate their growth. The company's Growth Partnership Services, Growth Consulting and Career Best Practices empower clients to create a growth focused culture that generates, evaluates and implements effective growth strategies. Frost & Sullivan employs over 45 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 30 offices on six continents. For more information about Frost & Sullivan's Growth Partnerships, visit <http://www.frost.com>.