A CRM needs assessment handbook

A practical guide to help you find the best CRM for your business

insightly

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Intro

Investing in a customer relationship management (CRM) software is an important decision that carries consequences for your entire business. Choosing the best CRM requires research, planning, and stakeholder buy-in. We put together this handbook to help you define your unique CRM needs and find the best CRM for your business.

In this handbook, we share five key steps in conducting a CRM needs assessment.

1. Decide on who will perform your CRM needs assessment
2. Determine your CRM goals
3. Collect & analyze team feedback
4. Create a CRM needs checklist
5. Calculate your CRM costs

We cover each step in a separate chapter that includes tips and ideas along with a fillable space for you to add your own assessment notes. Download the ebook, fill in your answers and notes, and make it your own guide to finding the right CRM for your team and business.

As a quick recap, using this handbook will help you to:

- Clarify your business needs and identify gaps that a CRM technology can fill.
- Collect feedback from different stakeholders and gain buy-in.
- Identify core requirements as well as nice-to-have CRM features and capabilities.
- Calculate CRM costs.
- Prepare to evaluate and compare CRM providers.

What is a CRM?

According to 2020 Grand View Research, 91% of businesses with 10 or more employees are using a CRM to manage business operations and drive growth. In today's digital economy and ever-changing consumer behavior, every business—regardless of its size or industry—needs a way to organize, analyze, and act on customer data insights in order to compete and build lasting customer relationships. Every business needs a CRM system.

So, what is a CRM?

Customer relationship management refers to the strategies, tactics, processes, and technology to manage relationships with customers and prospects. Over the years, CRM became synonymous with the software that businesses use to manage these relationships. So, when someone refers to "a CRM" they're almost certainly referring to CRM software.

As customer relationships have been evolving over the years, so has CRM software. In addition to sales force automation, some CRMs today include one or all of the following: marketing automation, project management, service and delivery management, real-time business reporting, customer analytics, and more.

Some of these new wave CRM platforms combine sales, marketing, and service solutions into one system. One of them is Insightly, a unified CRM system where all apps sit atop one data platform. A unified CRM eliminates the need to purchase and integrate additional systems and manually sync data from different vendors.

Unified CRMs also help to facilitate better cross-functional collaboration, eliminate data silos, organize customer data into a single source of truth, and align all teams around the customer journey.

So, if years ago choosing a CRM was mainly a sales management concern, today it's a decision for the entire business.

With this in mind, we encourage you to look beyond basic sales force automation and consider the entire customer journey as you perform a CRM needs assessment.

CRM checklist: Standard features

Every CRM system should come with certain standard features that essentially define the solution as a CRM.

Contact management

CRMs are designed to help you manage and organize contacts and the associated data. The system continually builds comprehensive profile records—full of actionable data and insight—for individual users, company accounts, and leads in the sales funnel.

Your CRM should track every interaction anyone in your company has with a customer or prospect, providing you with insights on who they are, how they are related to other contacts in your system, their purchases, content they viewed or watched, their interests and challenges, etc. This data is updated in real-time for all users to see.

Sales automation & management

Sales automation and management capabilities let your sales team track where each open deal is in the pipeline. This provides additional data around win probability, win/loss rates, individual and team performance, and more. Use this data to produce more accurate sales forecasting.

Tasks & notifications

Traditional CRMs allowed you to assign tasks to colleagues and configure notifications that are automatically routed when you assign a colleague a task with a due date approaching. Today's modern, cloud-based CRMs include the ability to customize notifications for a host of activities. For example, you can track when a customer's contract renewal date is approaching. This allows your CRM to double as a project management tool.

Workflow automation

One of the key benefits of using a CRM is increased efficiency. That efficiency largely stems from the automation of tasks that are otherwise completed manually. So, workflow automation could easily be categorized as a standard feature.

Automated workflows initiate system actions, which are triggered by specific behaviors, data changes, and a host of additional criteria. This all happens behind the scenes, freeing up time for users to focus on higher-value tasks, like nurturing interpersonal customer relationships.

Roles & permissions

Every user doesn't need access to see bottom line numbers. Nor do executives need to see data that's in the weeds for them. With role-based system permissions, you determine who can see what and to what extent.

Data privacy compliance safeguards

The best CRMs are programmed to catch potential violations coming out of the system and block them, ensuring your business is always in compliance with important data protection regulations. For most businesses, GDPR compliance is the highest priority.

Metrics, reporting, & analysis

The behavioral and demographic data stored in a CRM empowers you to produce highly-detailed reports. You maintain insight into performance results, sales results, sales forecasting, revenue growth, customer retention vs. acquisition numbers, and more.

CRM checklist: Advanced features

With the introduction of unified CRMs, like Insightly, you can get more advanced features and capabilities on a single platform, including:

Marketing automation

When you can take all the granular, detailed prospect data captured by your CRM and use it to personalize marketing campaigns, the likelihood of winning deals is much higher. Note that most CRMs don't currently include built-in marketing features.

Customizable forms & landing pages

Solid marketing features should include customizable lead generation forms and drag-and-drop landing pages. Add these two together and you have a gate to put in front of a valuable asset that you give to interested visitors in exchange for their contact information, which is captured by the form.

Custom fields

Every business collects and analyzes different types of data. And they each use slightly different terminology to categorize it. What your team calls an "opportunity" might be called a "deal" or a "potential" by other businesses.

Custom fields let you name your data fields in a way that aligns with your internal naming conventions and preferences. Having a CRM that speaks your specific internal language can reduce confusion and save time.

Mobile

In today's business environment, where more people are working remote than ever before, businesses need a way to centralize customer data and make it accessible on the go, from anywhere. For nearly every company, this means a CRM platform with a mobile app.

With a mobile CRM you gain access to data from anywhere in the world at any time. You can check reports during your morning commute, close a deal late at night, monitor your team's progress on the go, and more. But before introducing a mobile CRM, make sure both your CRM provider and your team understand and meet data security and customer data privacy standards.

Integrations & full API access

It's important that your CRM has an application programming interface (API) that allows for integrations with third-party apps. As your business scales and grows, you may need to add telephony, accounting, or invoicing to your CRM. You want a system with an open API for developers that allows you to do that—in other words, a system that scales with you.

Deployment (sandbox) environment

A deployment environment allows you to test system features before using them. This is great for training new employees on an existing system or training existing employees on a new feature. As CRMs become more complex, having a sandbox environment to test features is a very good-to-have feature.

Intuitive drag & drop interface

Not everyone you hire will be tech-savvy. However, almost all of them will need to use your CRM at some point. A CRM system with a drag and drop interface is simple to understand and navigate.

Customer support

At some point you'll run into an issue you need help with. Your business needs will evolve over time. Access to quality customer support will make a huge difference. When evaluating vendors, read user reviews about the quality of their technical customer support.

CRM needs assessment in 5 steps

Step 1: Decide on who will perform your CRM needs assessment

Decide on who is going to be involved in the process. Consider forming a cross-functional team that includes senior leaders along with mid-level and frontline users, so you have both big picture and daily user perspectives across different business lines.

Make sure to include current/future CRM administrators and an IT person in your CRM needs assessment taskforce. It's also helpful to have at least a couple of outside-the-box thinkers on the team.

In the space below, type in names and/or roles of individuals in your taskforce:

Our CRM taskforce	
1.	4.
2.	5.
3.	6.

While you need a cross-functional team to collect feedback and execute the plan, you also need someone who will rally the troops, hold everyone accountable, and ensure successful delivery, i.e. someone who will own the project. This might be your lead IT resource, a sales leader, or data and operations manager.

When selecting a project owner, look for someone who can switch between detailed and big picture thinking and is a good communicator.

In the space below, type in your CRM needs assessment project owner's name:

Our CRM needs assessment project owner

Step 2: Determine your CRM goals

Defining your CRM goals has less to do with features and more to do with outcomes. Use these goals to foster greater alignment among stakeholders and focus on what matters the most to your business.

You can get as specific as it makes sense for your business and use a familiar framework like SMART: Specific, Measurable, Achievable, Relevant and Time-based.

Set specific benchmarks that make the most sense for your business and business stage. Here are a few examples.

- Achieve a 90% MQL-to-SQL ratio
- Lower new customer acquisition costs by 5% in six months
- Reduce annual operational costs by 15%, and/or
- Grow annual revenue by 20%

In the space below, list your CRM goals.

Our CRM goals
1.
2.
3.
4.
5.

Step 3: Collect & analyze feedback

Put together a plan for soliciting feedback from across the organization. You'll probably get a mix of detailed and brief responses. For a more data-driven approach, design a brief survey that addresses the common pain points, such as disorganized information, poor client and supplier management, inefficient collaboration with team members, and difficulty managing projects.

As you collect feedback and begin to analyze the data, you might notice a few common threads.

Consider using the following categories to group ideas, issues, and feature requests:

- Important features
- Cost & licensing
- Scalability
- Integrations
- Support

In the space below, type in your survey sample questions.

CRM survey questions
1.
2.
3.
4.
5.

Step 4: Create a needs checklist

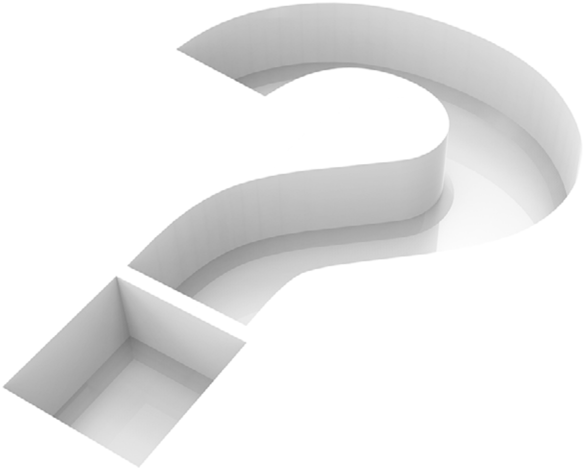
Use the team feedback and your business and CRM goals to create a CRM needs checklist. Your list can include must-have CRM features and capabilities, cost, and other factors.

A CRM checklist example:

- Contact management
- Sales automation must-haves (product and price catalogs, quote books, territory management, etc.)
- Marketing automation must-haves (campaign management, email marketing, lead scoring, etc.)
- Lead management
- Project management
- Workflow automation
- Integrations
- Customer data management
- Data analytics and reporting
- Customizations
- Mobile CRM
- Security
- Data transfer/switchover management
- User training and ongoing support
- Implementation requirements

In the space below, list your CRM needs. You can pick a few from the list above.
What additional features and services do you want to receive from a CRM provider?

Our CRM Needs
1.
2.
3.
4.
5.
6.



Step 5: Calculate your CRM costs

Whether you are buying a CRM for the first time or considering a switch, estimate your total cost of ownership and compare it to the costs of different CRMs on the market. If you are replacing a CRM, remember to include switching costs.

Here's a list of a few key cost factors to help you crunch some numbers.

1. Data migration costs

Depending on the size and complexity of your CRM database, you may need to hire a consultant or spend additional staff time to migrate data to a new CRM. This is usually the case with large legacy CRMs. If you want to save on data migration costs, choose a CRM provider, like Insightly, that will migrate all your data at no extra charge.

2. User training & ongoing support costs

With so many CRM options on the market today, you are no longer limited to choosing between complicated and costly legacy systems. The new generation of CRMs offers easy-to-use, scalable, enterprise-grade solutions that don't require extensive user support or consultants. And, if you still want an option with support, choose a CRM that offers plans that include ongoing user support and training at no additional cost. This way you gain access to expert support without receiving an unexpected bill every time you use it.

3. Customization costs

As you calculate new CRM costs, make sure all your customizations are factored into your plan from the get-go.

4. Current & long-term costs of maintaining the status quo

If you are currently using a CRM, calculate your current CRM subscription and support fees. Has this expense remained relatively constant over time? If it has increased, then determine by what percent annually. If you have to hire consultants or a full-time CRM admin to manage the system or implement changes, how much does that support cost you annually? What are the intangible opportunity costs of staying with your current CRM?

Based on the above cost considerations, list individual costs (use estimates) in the space below as line items and add them all up to get a total cost of ownership.

Our CRM costs	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
Total cost of ownership	$

Tips for evaluating CRMs

After you've completed your CRM needs assessment and before you start evaluating vendors, consider these four important questions.

1. Do other midsize companies use this CRM?

Most software companies—CRM vendors included—are well aware of their ideal customer profiles (ICPs) and buyer personas. Marketers use these ICPs and personas to craft messaging that creates alignment throughout the buyer journey. Spend a few minutes on a vendor's website with this in mind, and you'll quickly learn if your company fits the mold.

Action: Read plenty of customer stories from a variety of CRM vendors. How many articles spotlight other midsize customers? Do you notice any success stories from your exact or similar industry?

2. Is data management intuitive & customizable?

You're not putting a man on the moon with this project. At the end of the day, you just need an easy-to-use, scalable system that can help you manage relationships, organize your data, and maximize alignment.

To achieve these goals, you need a CRM that provides an intuitive way to collect and store essential business information, such as contacts, leads, opportunities, emails, and other important records. Getting data into your CRM should be easy for users and not dependent on manual data entry.

Integrations to inboxes and other systems should simplify data collection, allowing users to stay focused on engagement. Built-in safeguards should prevent record duplication and ensure data integrity. And, being able to rename standard objects in your CRM (i.e., changing "Opportunities" to "Deals") or creating your own objects gets everyone talking the same language, eliminating unnecessary confusion.

Does your current CRM make it difficult to customize objects or field labels? Or, if you're using a spreadsheet or home-grown system, perhaps data is inconsistent and unreliable.

Action: Add a list of all of your current data management headaches to your CRM needs checklist (Step 4). Then, identify CRM vendors who offer innovative solutions for overcoming these challenges.

3. Can we save money & improve efficiency?

Stop and think about all of the systems that your teams use to manage work. One system for order management. Another for marketing campaigns. Still another for projects and personal to-do lists. The list goes on and on. Implementing the right CRM may never completely solve your system overlap problems. That being said, there's a good chance that it can help.

For example, Insightly's built-in project and task management features could potentially eliminate the need for your existing third-party project management system. System consolidation could deliver immediate cost savings (assuming that you're on a paid plan with the project management software vendor).

In addition, you will be able to align your sales, marketing, and service data and teams under one roof. For example, instead of manually setting up projects in a separate system after opportunities close (or via complex data integrations), you're now able to convert closed-won deals into projects with a couple of clicks.

Action: Prepare a list of all your current software vendors. What exactly are you paying for? Maybe system consolidation could partially (or completely) offset the cost of your CRM implementation. You can include some of these costs when calculating total cost of ownership (Step 5).

4. Will this CRM scale to align with our future growth?

Ideally, selecting a CRM should be a long-term decision. No matter how intuitive a system might be, users must be fully onboarded and trained. Data management and quality control procedures take time to develop, refine, and document. Not to mention, your business is constantly evolving and adapting. The last thing you want to do is jump between CRM vendors every 12 to 24 months.

Pick a CRM that can handle your future growth. You may only have 50 users today, but what about five years from now? To double revenue and hit your goals, you may need to bring on more sales development reps (SDRs) and account executives (AEs). What would doubling your user base do to your annual subscription cost? More users generate more activity, create more contacts, and require more data storage. Will the vendor place artificial restrictions on users based on a massive uptick in record count? What would be the cost of upgrading to a plan that offers unlimited file storage, marketing automation, and integrations? Is this even possible with every vendor that you're considering?

Action: Revisit your corporate goals for the next five to ten years. Make sure your CRM reflect them (Step 2). Now, imagine that you're successful in realizing those business goals. Which CRM most closely aligns with your current and future vision of success?

About Insightly

Built from the ground up with the latest technology, Insightly is a modern unified CRM that provides businesses of all sizes and industries with secure, flexible, and scalable sales, marketing, and delivery solutions all in one place, without the high cost and complexity of legacy CRMs.

1.5 million+ users

25,000+ businesses

180 countries

All industries

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Blog

Insightly customers

Get in touch

Take advantage of Insightly's free CRM needs assessment. Have all your business and CRM requirements reviewed by one of our representatives and see if Insightly is the right match for your business. No commitment required.

Contact us:

sales@insightly.com

+1 888-999-4039