

The 2015 CRM Market Leaders: Small-Business CRM Suite

By Maria Minsker - Posted Jul 31, 2015

THE MARKET

Many CRM vendors that promise to do it all can't deliver the kinds of intuitive and affordable solutions that small and medium businesses (SMBs) demand. Modern small businesses require technology built with their specific needs in mind, which is why analysts recommend solutions that are expressly designed for the SMB sector. "SMBs should consider how big a footprint a given vendor has in the segment of the market the vendor is targeting—in terms of both the number and the percentage of its customers that are in that segment. This is a good indicator of both vendor commitment to [a specific] segment and its ability to serve SMBs," says Laurie McCabe, cofounder of The SMB Group. This year's leaderboard is a mix of vendors that cater exclusively to the SMB market and providers that, despite having customers in the enterprise and midmarket segments, have also proven themselves in the SMB space.

THE LEADERS

HubSpot combines marketing and sales force automation in an integrated way, which makes it easier for SMBs to deploy its solutions and get value out of them, McCabe says. "With their move to add CRM to their product mix, they've put themselves in a good position to grab marketing-heavy customers who need a certain level of SFA functionality added to their application mix," adds Brent Leary, partner at CRM Essentials. HubSpot is a newcomer to our leaderboard, performing well in its debut year: The company received its highest score, 4.1, for both cost and customer satisfaction.

Infusionsoft's solutions are made to suit small-business needs. This vendor, laser-focused on the SMB market, has a cultlike following, and the love that customers display at Infusionsoft's annual conference, ICON, is "totally genuine," one analyst says. The company's deep understanding of its target market earned it a 4.2 for customer satisfaction, the highest satisfaction score received in this category. But analysts questioned Infusionsoft's direction somewhat this year, giving the vendor a 3.9 after a 4.3 mark last year.

Though **Salesforce.com** tends to work with medium- and enterprise-size companies, it offers great functionality to small businesses as well, according to McCabe. "While the march upstream continues, there does seem to be more of a commitment to address SMBs, particularly high-growth ones, than in the recent past," says Leary. The vendor earned the highest score for depth of functionality in this category—a solid 4.4. Still, its cost can be prohibitive for some small businesses. Salesforce.com received a cost score of 3.6, the lowest in the group, and analysts worry that "higher-end editions, and additions, are too expensive," McCabe says.

Zoho has a "great 'freemium' offer" and is a good place to start for businesses just beginning to experiment with CRM, McCabe says. For an "extremely reasonable price, flexibility, and feature set, Zoho offers a solid SFA and CRM solution that would suit many SMB organizations," says Leslie Ament, senior vice president of research at Hypatia Research Group. As a result, the vendor received a 4.0 for depth of functionality. Where Zoho struggles, however, is in direction. Because of its "vague" road map, which earned the vendor a direction score of 3.6, analysts say the company is often underrated,

or overlooked. "They do so many things in such a low-key manner you sometimes forget how much they have to offer SMBs," Leary says.

THE WINNER

Despite its relatively low marks for cost, **Microsoft** holds on as category winner for the second year in a row. Microsoft continues to impress analysts with its depth of functionality, for which it earned a 4.1. Thanks to recent improvements, Microsoft Dynamics CRM provides customers with a fully integrated, converged suite of products to enhance customer engagement through multiple touch points. And it does so with companywide intelligence supported by Microsoft's Business Analytics platform, Power BI, and Azure Data Services, Ament points out. The deep integration to Microsoft's other products, such as Office 365, "makes it easy for SMBs to collaborate on and execute their customer engagement strategy," Leary says.

ONE TO WATCH

For the first time in several years, **SugarCRM** slipped off the leaderboard and is designated our One to Watch. But take note—the shift is a testament to growing competition in the space, not a worsening performance from this vendor, analysts agree. The company's direction score, a 3.5, hurt its standing, but Leary says things may soon be looking up. "Their deep dive into SFA and assisting the upper end of the SMB market with their customer journey development should prove to be a successful move as they look to sign bigger deals," he says.

SMALL-BUSINESS CRM SUITE



[Editor's note: The overall award rating is based on a composite score of analyst ratings for customer satisfaction, depth of functionality, company direction, and cost. For the cost score, analysts gave the highest marks to vendors with the lowest expected costs. Company revenues were also factored into the overall score, but these numbers are not included in the chart above.]

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