Benefits of Hosted CRM Software Versus On Premise CRM

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If you're a small business, chances are you've heard the new CRM catch-phrase being tossed around frequently. Perhaps you've even looked in to some of the options available on the market. In the following article, we'll discuss some of the pitfalls of traditional software based small business CRM solutions, while exploring the benefits of a new 'on demand' implementation.

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1.0 Cost

One of the main pitfalls of a software based small business CRM software solution is the cost factor. Most small businesses can't afford the enormous software acquisition fees, upgrading all of their existing (if it even exists) IT infrastructure, hiring and training new IT staff to maintain this infrastructure, training all existing staff to use the software efficiently, et cetera. The list is almost endless, and most of these costs, save for the up-front acquisition fees, are generally hidden. When a small business is setting up a budget for a project of that magnitude, they will generally have to see a guarantee potential for a large ROI (Return on Investment) for that project before undertaking. The problem is, of course, that return can be often difficult to predict for software based solutions.

This cost is also compounded by the extensive time it takes to implement an on-premise based small business online web based CRM software / web-based SFA solution. Many small businesses have taken upwards of 8-12 months to get a fully functional solution in place and usable. Frequently, more than half of this time is all billable to consultants - before any implementation even begins to take place. This extensive time sink is not only detrimental to the timeframe it takes to begin seeing a positive ROI on your small business online web based CRM software / web-based SFA solution, but when all your IT consultants and Systems Analysts are charging you by the hour to discuss how to implement your software based system - it all adds up quite quickly.

2.0 Flexibility

The general idea behind any small business is to grow and prosper. A small business CRM solution will help accelerate that process by increasing the LTV (Lifetime Value) of your current customer base. However, as your small business grows, your small business CRM needs will change in many areas. As these needs become more and more essential, a software based solution will cease to be everything that it was when it was first implemented. Eventually, it will become a necessity to overhaul the entire system. This is of course going to factor back into the cost of implementation, as you'll have to acquire new or upgraded software licenses, re-train your staff with the new changes so that they can again be as productive as possible, and possibly upgrade your IT infrastructure again, depending on how out-of-date the previous implementation has become.

With no room for potential growth (unless you wish to re-acquire enough software licenses for your entire small business), on-premise based small business CRM solutions just simply refuse to grow with your small business. While they may solve your needs for the first little while, be careful in the future. The entire premise behind a small business online web based CRM software / web-based SFA software solution is to help your small business grow and prosper - what good is the solution if it doesn't grow with you?

3.0 Software Updates

Software updates are one big headache. These days, software development companies are producing newer versions faster than ever before, to stay competitive on a saturated market. Often times, there will be a new update available for use before the software package you just purchased is even implemented. This results in a two-option scenario:

1. Stay the course with your current software incarnation, as it's already paid for and in the process of being implemented. It still fulfills your basic small business CRM needs, and if you pull out now, there has been a wealth of wasted resources.

2. Scrap the current project and re-plan with the new update in mind. This will result in a lot of unnecessary financial waste, but will ensure that your software solution lasts longer than an older version.

All of this of course ends up leading to one big question on any small businesses mind: 'Why am I paying extra for something that should have been included in the first place?'

Well the answer is you shouldn't be. Chances are, your on-premise based small business online web based CRM software / web-based SFA provider told you that their software suite was 'all inclusive' and that it would satisfy your needs. Well how can that be if they're constantly trying to get you to purchase new updates, sometimes even as soon as before your current version is fully implemented?

4.0 Mobilization

Also, your software doesn't travel with you. Some of the more advanced products do feature mobile-friendly synchronization, but you need to have a licensed copy of the product on every computer that you use. So if you're traveling on small business-related purposes, or even taking a well-needed vacation but need to keep up with your small business while away, you'll find that the access to your software solution is severely lacking. And employee productivity will not be impressive if they can't even use your small business CRM implementation.

Online web based CRM software / web-based SFA are supposed to be solutions to automate your small business processes. Nothing is automated if it's not even accessible to you or your employees. Salespeople are becoming more and more mobile by the day. How can you expect them to utilize the many benefits of a small business online web based CRM software / web-based SFA if they can't access it from a potential client's home? Using paper may have been an alternative - 10 years ago - but today's world is on demand.

5.0 The Answers

An on demand hosted CRM software solution addresses and rectifies these issues. Developed especially for the small business and their budgetary needs, this approach is a 'software as a service' model, and

means that the on demand provider needs to earn your small business on a month-to-month basis. The benefits to this are many, and the pitfalls are few and far between. The days of spending millions of dollars worth of software acquisition licenses are a thing of the past. Nobody can expect a company of 50 employees to be able to snap their fingers and make that amount of money appear. This is why software as a service is such a desirable alternative for many small businesses. Without the backing of large amounts of capital and investors willing to contribute to the small business online web based CRM software / web-based SFA software solution, implementing the project as an on demand hosted CRM software service based model addresses these issues and makes it simple, even giving the small business an edge in some cases, to compete.

6.0 Low Cost

The cost for an on demand hosted CRM software project is negligible compared to that of a software-based solution. Almost all costs associated with the project are visible up-front, and are available to be weighed heavily against a predicted ROI. Using the service on a monthly basis means you can recognize and identify your costs and budget accordingly. Each month you can weigh the benefits against the cost and make sure that your investment in small business CRM is making a healthy return.

In addition to this, since the small business CRM provider needs to retain your business every month, if you have any new needs, problems, or feedback, they will need to adapt to your new model, or risk losing your small business to a competitor. Only in a 'service' based environment is this type of on-the-fly adaptation possible.

You won't have to worry about new unforeseen costs looming around any calendar date in your future with on demand hosted CRM software - your provider will make sure you understand all your costs up-front, and if the situation changes, they will be the first to let you know. On demand hosted CRM software providers such as Salesboom.com make sure that their sales team is focused on your needs, not pushing software.

7.0 Flexibility

The on demand hosted CRM software model is designed to grow with your small business, not stagnate while your small business flourishes. If you find your volume or needs changing and growing as your progress (as you should), your CRM provider will have a readily-available solution, with no extra hassles for implementation and updating. And it will be ready and functional for you in a matter of days, not months, like a traditional on-premise based solution.

The entire idea behind small business online web based CRM software / web-based SFA software solutions are to help your small business prosper. In order to do this, it needs to accompany your small business through all of its growing stages, and only in on demand software as a service world is this truly possible. With all the software being provided to you from your providers' servers, they'll make sure that they have the capacity to serve you and your small business needs properly every day of the year. Most

companies offer cost-scalable solutions as you grow, and are easily applied transparently in a matter of days. It doesn't matter if you've started with an employee base of 10 and are working your way up slowly, or if you already have 1000 employees and are looking to make a massive jump, on demand hosted CRM software will be there with you the whole way.

8.0 Updates

Updates are applied transparently for most on demand hosted CRM software solutions. You will not see any downtime, you won't have to pay new fees to use the newly updated more functional implementation, and best of all, the new updates are likely based on your feedback and needs. Worried about your existing legacy systems being compatible with the new incarnation of your on demand hosted CRM software solution? Don't be. All of the software is hosted and taken care of by your CRM provider. As long as you still have internet access, your small business CRM solution is easily accessible, whether it's on a computer from five years ago, or one you bought last week.

Updates are also systematic and completely documented. All bug reports are filed and taken care of on a timely basis, and the new documentation that will be available after each update will make sure you can communicate with your team how the changes affect your operations. And if it was a major change in the way the small business online web based CRM software / web-based SFA software solution works, don't worry, because your CRM provider will have training available to your key employees - usually either in-person or over the internet, whichever is more convenient for you.

9.0 Mobility

On demand hosted CRM software means just what the term 'on demand' would imply: it's there for you whenever you need it, wherever you need it. You don't need to be sitting at the office using your existing infrastructure to take advantage of your small business CRM software solution - it's available to you from any place you can access the internet. And if you don't happen to have access to the internet from wherever you might find yourself, don't worry about it. With offline synchronization easily available, you'll never find yourself out-of-work or behind schedule.

Your sales and marketing teams will be completely free to roam as they need to. Your small business CRM software solution will be available to them as a wireless solution as well. Easily connect to your small business online web based CRM software / web-based SFA database from a wireless PDA or similar device, and enjoy all the functionality and information that you have at the office. You no longer have to worry about missed opportunities or forgetting your notes - they're with you wherever you are, whenever you need them.

10.0 Deployment Time

One of the most attractive features of an on demand hosted CRM software / Web-based SFA software solution is the time it takes to get you up and running. We understand that your small business needs its software solution, and it needs it now. That's why most small business online web based CRM software / web-based SFA software solutions can be deployed and ready to use within 30-90 days. Or, to put it into perspective, your small business CRM software solution could be ready before your trial period expires. Eliminate all the extra hassle, coordination and costs associated with IT consultants, Systems Analysts and Integrators, Project Coordinators, and other assorted hourly costs that are billing you seemingly every hour of the day. Get your small business online web based CRM software / web-based SFA software solution when you need it - right now. Anything more than that should be simply unacceptable.

11.0 Summary

To summarize; an on demand hosted CRM software solution meets all the demands that your small business needs, whether they're supplied up-front or are constantly changing. This is an essential part of the 'software as a service' model, because once you choose your CRM provider, they have to continue earning your business from month to month. With the list of features constantly growing, you'll find that your on demand hosted CRM software choice will constantly improve itself without you missing a beat. The lower costs of this type of solution make the project more lucrative to your small business, and the low time period associated with seeing a positive ROI make it lucrative to everyone from the smallest business to a Fortune 500 company. If you need any further proof as to why on demand is superior to on-premise small business CRM, think about this: If it wasn't, why would software based companies be implementing on demand solutions to supplement their existing legacy software suites? From analytical sales data, report generating, marketing automation, complete compatibility with legacy systems in place, the bottom line of on demand hosted CRM software solution can be summarized in one simple phrase: It's not rocket science.

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For more information regarding our products and services please visit our site at:

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