THE BOTTOM LINE
Customer relationship management (CRM) vendors continue to invest in expanding functionality across the three core pillars of CRM – sales force automation, marketing automation, and customer service – while delivering new usability enhancements, notably in mobile apps and user interface (UI) redesign. This Value Matrix reflects the advancements vendors have made in the past six months in their ability to deliver value to customers.

Customer relationship management (CRM) continues to be one of the most competitive markets in enterprise software, as established vendors continue to enhance their functionality and usability and new and edge entrants fill capability gaps and offer new enhancements. The pace of innovation from both camps, coupled with the fact that CRM is the enterprise application area with the most rapid rate of turnover, makes it necessary for vendors to deliver greater functionality and usability at a fairly rapid cadence or lose ground in the market (and the Matrix). While innovations in Internet of things (IoT) capabilities, social and mobile, and analytics continue to be areas of increased investment, other trends are also driving shifting positions in the Matrix including:

- **Verticalization.** As we pointed out in our 2015 predictions (Nucleus Research o270 – *Nucleus Top Ten Predictions for 2015*, December 2014), the commoditization of basic sales force automation (SFA), marketing automation, and service automation capabilities and the availability of low-cost core providers, coupled with the advancing maturity of cloud CRM offerings, are driving investment in industry-specific capabilities as a differentiator. Out-of-the-box vertical capabilities and support for best practices drive faster and more predictable time to value, lower consulting costs, and lower costs to manage both steady-state applications and upgrades over time. From a business perspective, they enable customers to take advantage of vendor investments in best practices and data models that support their specific needs.

- **Integration.** Few new CRM projects today are deployments of one vendor’s technology. Whether they’re integrating new edge applications (such as configure price quote (CPQ)) from the partner ecosystem, bringing disparate data sources into the CRM mix, or tying together CRM with other enterprise applications such as supply...
chain or finance, integration capabilities and the availability of prebuilt adapters and application programming interfaces (APIs) are an important evaluation factor for many CRM decisions.

- Big data. Both organically and by acquisition, CRM vendors are taking advantage of vast external data sources and the capabilities of big data analytics to drive more rapid and discrete insights about customers and prospects. The most advanced are embedding that knowledge directly into sales, marketing, and service application interfaces to provide more predictive coaching and direction (Nucleus Research n167 – Enterprises must adopt the principles of Dark Cockpit, November 2013).

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Leaders in the Matrix are not only delivering mobile and analytics capabilities but advancing usability and access in both areas for greater productivity. On the development front, industry-specific capabilities and the integration of "edge" capabilities such as CPQ are driving lower cost and time for customization as well as support for best practices. Vendors losing position have delivered new functionality and usability capabilities at a relatively slower pace than their peers. Vendors indicated with a red dot have one or more factors that Nucleus believes may limit their commitment to the market or long-term viability.

Other trends impacting positioning in this and future Matrices include vendor investments in modernizing user interfaces that (in some cases) are more than a decade old; continued investments to integrate more channels as well as the core pillars of sales, support and service; mergers and acquisitions; and organic product development. It is important to note that vendors in the Matrix are evaluated on their capabilities in SFA, marketing...
automation, and service automation and not on other tangential areas such as e-commerce support, and that they are ranked on their own solutions, not the broader value delivered by their partner ecosystem applications.

**LEADERS**

Leaders in the Value Matrix include Infor CRM, Microsoft Dynamics CRM, Oracle CX Cloud, and Veeva Systems.

**INFOR CRM**

Infor maintains a leader position in the Value Matrix based on its continued investment in usability, particularly around mobile access, and its further integration of the SalesLogix assets. Infor CRM is designed for deployment in cloud, on-premise, and hybrid environments and also provides multiple license and payment options including perpetual license purchase or subscription as well as multiple license types (such as concurrent, named, and mobile only) to give customers greater flexibility based on their users’ roles and access requirements. Advancements in functionality since publication of the last Matrix include:

- Release of CRM 8.1 Update 05, which included several user interface modifications including changes in look and feel (in line with Infor’s Hook&Loop principles), new tools to simplify and personalize group list views, and platform enhancements to support ION integration and Sync for Microsoft Exchange.
- Release of Mobile 3.2, which included new layout configurations with information presented dynamically; adoption of the SoHo UX for consistent theming throughout the application; and responses to user requests for specific capabilities such as bringing back collapsible tables, making related items more discoverable, and making group lists more digestible.
- Release of Infor CRM Advanced Analytics 3.0 in January 2015. Advanced Analytics leverages the in-memory analytics technology from Tibco Spotfire, which is embedded in both the Web and Microsoft Windows clients. The latest release included built-in product dashboards to provide detailed information for sales, marketing, and support; smarter configurations for “bubble-up” style scoring; new visualization including global maps and geocoding to zip codes or postal codes; and a new security model.

Nucleus expects that Infor and its ecosystem of partners will be making announcements this spring around specific vertical functionality and how it will deliver greater value for CRM customers, as well as greater support for embedded analytics, both of which would positively influence Infor’s position in future Matrixes.

**MICROSOFT DYNAMICS CRM**

Microsoft Dynamics CRM continues to maintain a leader position in the Value Matrix by organically building out new functionality, further integrating acquired assets such as
marketing and service, and adding support for greater collaboration between sales and marketing. The September 16 release of Dynamics CRM 2015 included features such as a sales collaboration panel, a graphical e-mail editor, support for A/B testing, an interactive marketing calendar, support for product bundling and recommendations, an enhanced guided sales process, and new mobile sales capabilities (Nucleus Research o209 – Microsoft Dynamics CRM 2015, September 2014).

Microsoft continues to develop along those themes, and Nucleus has found that its integration of acquired assets such as Parature as well as thought leadership initiatives around how to make customer engagement more personalized, proactive, and predictive is resonating with customers (Nucleus Research p19 - Assessing customer service maturity: An in-depth look at Microsoft customers, February 2015).

Productivity has long been a key theme for Dynamics CRM, and Nucleus expects continued investment along that theme moving forward, particularly in the mobile space, will drive improvements in usability for Dynamics CRM in future editions of the Matrix (Nucleus Research o227 - Microsoft Sales Productivity: Moving toward the Dark Cockpit, November 2014). Much of Microsoft’s work over the past several quarters have been in building out feature parity in specific areas such as sales and marketing.

Further integration of the powerful Parature capabilities, leverage of Microsoft’s analytics capabilities, and a greater focus on the capabilities of CRM as a platform (as Nucleus has seen leveraged successfully by many customers) would further improve Dynamics CRM’s positioning from a functionality perspective.

**ORACLE CX CLOUD**

Oracle CX Cloud maintains a strong leader position in the Value Matrix as Oracle has continued to make investments in functionality and usability across the three pillars of CRM – sales, marketing, and service – while leveraging Oracle’s investments in in-memory computing and data as a service. Oracle also continues to integrate its steady stream of acquisitions.

Oracle Marketing Cloud positions itself as a data-driven marketing solution with capabilities for data management, cross-channel marketing, content marketing, social marketing, and analytics to help companies acquire and retain customers. In addition to providing those capabilities out of the box, Oracle has an ecosystem of marketing technology partners to help companies leverage the hundreds of data, applications, and paid media vendors within the context of their cross-channel marketing campaigns and programs. Through its deep integration with Oracle Data Cloud, the Oracle Marketing Cloud can leverage a wide variety of both digital and offline data sources for audience targeting. For example, in December Oracle acquired Datalogix, which provides insights on more than $2 trillion in consumer spending to help marketers more effectively identify and target customers, measure effectiveness, and optimize marketing efforts.
Oracle Service Cloud continues to differentiate its offering based on its complete Web, social, and mobile self-service (including chat and co-browse), cross-channel contact center service, field service management, and built-in knowledgebase capabilities including self-learning search and guided assistance. Oracle released new enhancements to Service Cloud in February 2015 including:

- Private messaging support for Facebook
- Mobile compatibility for integrated co-browsing between customers and agents on any device
- New contact center features to drive greater usability for contact center agents including user interface enhancements, improvements in the way they can access knowledge and analytics, proof notifications for surveys and proactive communications, and live message previews to ensure dynamic content displays as desired
- Improved incident archiving and new policy automation functionality.

Oracle Sales Cloud continues to gain momentum in the market with its modern mobile user experience. Oracle Sales Cloud key features include:

- Comprehensive core SFA capabilities to support global sales organizations on a single platform with a modern user experience to drive user adoption.
- Critical capabilities such as sales coaching and call reports to improve sales effectiveness, territory management and incentive compensation to optimize sales performance, embedded analytics and key performance indicator (KPI) dashboards designed for sales executives, and partner relationship management for improving channel sales execution.
- Industry-specific capabilities for the communications, financial services, high tech manufacturing and consumer goods industries.

Oracle is further differentiating its CX solutions by offering industry-specific solutions that span the CX cloud portfolio to address the unique business requirements of industry segments. These industry-specific solutions address customer needs for tailored capabilities in the areas of data, workflow, user interface, analytics, and integration. Specific industry solutions for Oracle Sales Cloud are being released for the financial services, communications, consumer goods and high-tech manufacturing. For example, the financial services edition is tailored to address the specific needs for new customer acquisition within retail banking. Oracle Marketing Cloud has industry-specific offerings available for life sciences, wealth management, entertainment, insurance, manufacturing, and non-profits. For example, marketers in pharmaceutical, biotechnology, and medical device manufacturing companies can use tailored campaign templates and personalized messages by channel and influencer for both the medical professional and consumer. Specific industry offerings are also being tailored for Oracle Service Cloud.

Oracle also continues to focus on its platform as a service and integration in the customer experience space, with the availability of more than 40 cross-channel integrations.
Nucleus expects further investments in integration will drive faster time to value that will likely impact Oracle’s position in future Matrices. Nucleus also expects further returns for Sales Cloud customers as Oracle completes integration of the Big Machines acquisition and customers adopt functionality already available in the product that is typically provided by the partner ecosystem of other vendors, including sales forecasting, territory management, and guided selling.

SALESFORCE.COM
Salesforce.com maintains a strong leader position in the Value Matrix because of strong functionality across sales, marketing, and customer service and its ongoing cadence of three major releases of new functionality each year. Salesforce has made advances in the three core pillars of CRM since the last release of the Matrix as well as continued enhancements in its other clouds: Community and Analytics. Salesforce also continues to drive investment in mobile apps with the Salesforce1 Platform.

The Spring ’15 release included the in-app SOS button so customers can launch face-to-face customer support directly within service cloud, the Social Studio mobile application for accessing social listening from any mobile device, enhancements to Journey Builder, a new Community management console, and enhancements to Lightning, Salesforce’s next-generation Salesforce1 Platform.

The latest releases of Sales Cloud included enhancements in territory management including real-time previews of territory plans, greater customization capabilities, and new collaborative forecasting features. The recently-released Sales Path, coupled with the Sales Console, drives greater usability for Sales Cloud with a configurable visualization user interface (UI) to guide reps through each sale of selling.

On March 9, Salesforce announced the Service Cloud Intelligence Engine, which leverages data science to support improved customer service. The engine enables users to dynamically assign cases to agents based on skill set, case history, presence, or channel and automatically distribute and manage agent workloads. These capabilities, along with more seamless channel transition, will drive greater customer satisfaction while leveraging data and automation to improve agent productivity.

In March Salesforce announced the launch of Marketing Cloud Predictive Decisions, enabling marketers to better analyze data and scale personalized campaign execution with integrated cross-channel data. With Predictive Decisions, a collect beacon streams real-time content updates and user behavior data directly into the platform for updated user profiles, new workflow automation capabilities enable triggered marketing campaigns based on those updates, and predictive content recommendations drive rapid execution of new campaigns.
Salesforce has also made investments in improving the usability of Service Cloud, with the Service Cloud Console that streamlines access to the data and features most needed by agents. The console’s dashboard-like interface enables agents to use multiple applications at once while preserving the context of cases.

In February Salesforce announced upgrades to its Desk.com application for service management to provide more global language capabilities for multinational service needs (Nucleus Research p36 – Desk.com goes global, February 2015).

In October Salesforce announced Wave, its Analytics Cloud, built on the IP Salesforce acquired from the EdgeSpring acquisition (Nucleus Research p21 – Four ways Salesforce Wave is different, February 2015). The latest release of Wave added additional mobile capabilities.

Although it is important to note that vendors in the Matrix are evaluated on their organic functionality and not the additional capabilities of partners, Salesforce has continued to invest in its ecosystem (Nucleus Research p29 – Apttus gets a boost, February 2015). Salesforce is also investing in delivering vertical functionality for specific industries, both organically and through partners such as Vlocity.

Salesforce1 Lightning is the foundation for the next generation of Salesforce’s user interface. While the sales and service consoles and Sales Path are driving greater usability today for current customers, Nucleus expects that the new Lightning-based UI currently under development will drive broader adoptability and usability for customers in future Matrices.

**VEEVA SYSTEMS**

Veeva Systems, holding a strong position in the Leader quadrant, offers a cloud CRM solution that is built for life sciences verticals and microverticals. The company is excelling in this field because of its clean and modern user interface and because much of the industry is finally moving off of on-premise and hosted legacy solutions such as Siebel and Cegedim. Veeva is native to the cloud and leverages those inherent benefits to drive agility. With the multitenant cloud, the company provides continuous and automatic upgrades to the application in order to address the newest compliance requirements and expand its data offerings. For example, in December the company announced the availability of reference data for Europe, which offers a resource for healthcare professionals, healthcare organizations, and other affiliations. In November, Veeva announced CRM CoBrowse, which is a remote detailing solution for a call center, medical affairs, and the field sales team. CoBrowse is its latest multichannel product in addition to their face-to-face, e-mail, and Web engagement products.

Veeva offers an accelerated time to value with its industry-specific products because solutions built for a particular industry are able to provide more out-of-the-box
capabilities, which decreases implementation time and cost. Veeva accommodates a wide range of companies within the industry, and beyond the cost savings, many of its smaller customers benefit from the out-of-the-box solution because they are able to leverage built-in best practices for the life science industry.

EXPERTS

Experts in the Value Matrix include Cegedim, NexJ, and Oracle Siebel CRM.

CEGEDIM
Cegedim maintains an expert position in the Matrix because of its deep vertical solutions targeting the healthcare industry, life sciences companies, healthcare professionals, and insurance companies. It continues to fall in position, however, based on relative lack of movement in usability and functionality since the product’s acquisition by IMS Health in June 2014.

In December Cegedim announced a partnership with Aktana to integrate Aktana’s Decision Support Engine with Cegedim Mobile Intelligence. In March, Cegedim announced enhanced integration of the Kadrige iDetailing solution for performing remote interactions with Mobile Intelligence.

NEXJ
NexJ offers industry-specific solutions for financial services, insurance, and healthcare. Since the last Matrix, the company has continued to build out functionality in these verticals. By focusing on specific verticals, the company offers out-of-the-box capabilities that drive accelerated time to value as well as industry best practices and guidance.

In November, NexJ delivered on plans to expand point-of-care education capabilities using the acquisition of Liberate Ideas Inc. One of the functionality enhancements in this release includes the integration of Liberate Pro Patient, renamed NexJ Health Pro, which encourages the self-management of chronic diseases through a portfolio of teaching presentations. Doctors are able to run presentations in their offices with patients while recording the demonstration. Afterwards, the presentation recording can be uploaded to the Connected Wellness Platform, where it can be accessed by the patient. In addition, the solution added integration with wearable devices such as FitBit, iHealth, Jawbone UP, and Wellness Pulse.

NexJ’s Customer Data Management Platform collects customer data from multiple resources and delivers that to CRM systems. In October, the company focused on delivering data governance improvements to the financial services and insurance verticals. In that release, NexJ focused on providing a database of information that is collected from multiple sources and remains in line with each industry’s unique compliance requirements.
Although strong in functionality, the solution could update its user interface, which would help the company to move upwards in the Matrix.

**ORACLE SIEBEL CRM**

Oracle Siebel maintains its position as an expert in the Matrix, with the most breadth and depth of functionality available in the industry across marketing, sales, and customer service. Siebel also leads in vertical-specific functionality, with extended data models and tailored solutions for more than 21 industries. Oracle’s areas of focus are to support the existing Siebel customer base, and fall into three primary areas:

- **Customer experience**, increasing the usability of Siebel through significant enhancements including Open UI, which introduces a new look and feel across all channels and devices including laptops, tablets, and smartphones
- **Business agility**, reducing the total cost of maintenance and support, and enabling customers to adopt new product innovations as well as competitive market solutions into their CRM footprint
- **Integration**, leveraging the Oracle platform as a service. Siebel also provides prebuilt integrations to CX Cloud. Siebel CRM is also tuned to take advantage of Oracle’s engineered systems, to drive greater value from Siebel.

**FACILITATORS**

Facilitators in the Value Matrix include Acumatica, Base, Bpm’online, Infusionsoft, NetSuite, Pegasystems, and SAP Cloud for Customer.

**ACUMATICA**

Acumatica continues to hold a position in the Facilitator quadrant with an upward moving arrow that predicts further investment in both usability and functionality. The company’s CRM offering can be a good complement to its ERP solution because it allows for collaboration across departments. Having both systems operating on the same platform helps for more seamless upgrades and significantly easier integration. Some of the features in its Customer Management Suite include sales automation, marketing automation, service and support automation, and analytics and forecasting. There is also a customer portal that helps to scale customer inquiries. Like NetSuite, Acumatica is likely to sell its CRM solution as part of a more all-inclusive suite. Nucleus expects that Acumatica can capitalize on its platform to build out edge capabilities and further improve its positioning in the Matrix.

**BASE**

This is Base’s first appearance in the Value Matrix, where it is currently low in functionality, but its roadmap indicates plans to build more capabilities in marketing and service. Nucleus found that the company’s application delivers a high level of usability with in-depth analytics tools. The differentiating factor for Base is that it knows how to best leverage data to provide CRM users with actionable insights. Base delves into the needs
of the sales management team, which allows them to have out-of-the-box reporting tools for management (Nucleus Research, p17 – A closer look at Base CRM, January 2015). Nucleus expects that the company will be able to achieve a better positioning in functionality if it continues to provide the same depth of analytics capabilities for other CRM users.

In September, the company released the Intelligent Sales Productivity Solution, with new features including real-time notifications, time-to-first-action reports, a rep performance dashboard, product-based deal value capabilities, and stage duration analysis. The increase in automation and visualization enhancements in this release reduce data entry and increase productivity.

**BPM’ONLINE**

Bpm’online offers a CRM solution driven by business process management (BPM), which focuses on providing guidance within the system. The company has been able to maintain a strong position in the facilitator quadrant, ranking in the top in usability. Bpm’online has continued to invest in a simple and modern user interface, which has led to intuitive usability. In addition, the user interface is configurable via drag-and-drop capabilities, minimizing the need for excessive coding and promoting the material that is catered to the needs of each user.

In December the company announced the latest major update of Bpm’online Real Estate. The company already has specific capabilities in a number of other verticals including finance, pharmaceuticals, manufacturing, distribution, and professional services. The company has strong traction in Europe and, with the appointment of a new executive, aims to increase its footprint in the North American market. Nucleus expects that the company will further promote its vertical capabilities, which will lead to a stronger positioning within the Matrix as well as an increased customer base.

**INFUSIONSOFT**

Infusionsoft maintains a strong position as a facilitator in this Matrix, largely because of its focus on usability and support for the sales and marketing needs of small business owners on a single integrated platform. The company has continued to make investments in mobile capabilities such as Snap (for mobile business card data capture) as well as its partner ecosystem.

In October the company announced it closed $55 million in Series D growth financing, led by Bain Capital with additional investment from Signal Peak Ventures and Goldman Sachs, which were both previous investors. The company had previously announced plans to expand its staff in both support and development roles through 2015. Although the company continues its focus on small business, Nucleus expects that continued investments in functionality in areas such as mobile and analytics will have the potential to strengthen its functionality position in future Matrices.
NETSUITE
NetSuite maintains a core provider position in the Matrix. As a leading cloud ERP provider, NetSuite provides integrated CRM functionality for users including sales force automation, customer service management, marketing automation, and partner relationship management, as well as mobile access. Although few, if any, customers choose NetSuite for CRM functionality alone, in talking to customers Nucleus has found that the ability to have integrated CRM within the vendors’ cloud ERP suite offers significant productivity gains for sales and customer service staff, who have end-to-end product and service availability, delivery, and billing and accounting information all in one place. Other recent announcements impacting NetSuite’s positioning in the Matrix include:

- In September NetSuite and Gigya announced availability of the new Gigya SuiteApp, free for joint Gigya and NetSuite customers, which provides NetSuite customers with access to the consumer identity and behavioral data collected on the Gigya platform to deliver more personalized interactions to customers through the NetSuite Web store, over the phone, or in stores.
- In November, NetSuite announced the availability of NetSuite for Android devices.
- NetSuite also announced expansion of its footprint in the Asia-Pacific region and the appointment of a number of new executives including Fred Studer (formerly of Microsoft) as chief marketing officer.

PEGASYSYSTEMS
Pegasystems has made improvements to its CRM solution in functionality and has been able to maintain its position in the Facilitator quadrant. The company provides CRM solutions available on its business process management (BPM) platform, has been working to strengthen its international presence, and has also developed functionality enhancements in the last few months.

In February, Pegasystems announced Pega Group Benefits Underwriting, which is an application designed specifically for the insurance market. Its capabilities focus on automating and standardizing underwriting. In January, the company announced upgrades to Pega Marketing, specifically focused on cross-channel integration; campaign creation; field marketing; the Customer Profile Viewer; and for monitoring, control, and reporting capabilities. The marketing application is built on the Pega 7 Platform and users can choose to implement it either on premise or on the cloud. Nucleus expects that further investments in vertical capabilities would continue to drive improvements in functionality, which would help Pegasystems to move closer to the leader quadrant.

SAP CLOUD FOR CUSTOMER
SAP Cloud for Customer maintains its position as a facilitator in the Matrix as it continues to lack functional parity with other competitors in the core areas of sales, service, and marketing. SAP cloud modules include:
- Cloud for Sales, arguably the most advanced SAP CRM module, provides a very intuitive user interface and core sales force automation (SFA) functionality as well as embedded analytics and support for integration with Microsoft Outlook.
- Cloud for Sales Retail Execution is designed for sales teams and merchandisers selling consumer products into retail stores, with capabilities for visit planning and execution as well as visit analytics.
- Cloud for Service includes core capabilities for multichannel service ticketing, knowledge base integration, self-service support, social customer service, and social collaboration as well as analytics and pre-built dashboards and reports.
- Cloud for Social Collaboration (based on SAP Jam).
- Precision Marketing, running on SAP HANA, which enables marketers to combine historical data and real-time contextual information to deliver targeted personalized campaigns and optimize campaigns based on outcomes.

SAP has continued to differentiate its capabilities to integrate CRM with SAP ERP and to leverage HANA in areas such as Precision Marketing. Further investment in its service cloud capabilities, as well as a regular cadence series of functionality updates across sales and marketing, would likely make it more attractive to customers and drive functionality rating improvements in future Matrices.

**CORE PROVIDERS**

Core Providers in the Value Matrix include CRM Next, Maximizer Software, Sage CRM, SAP, Sugar CRM, and Zoho.

**CRM NEXT**

CRMNext has fallen in functionality since the last Matrix. The company offers a solution with some vertical capabilities for industries including banking, finance, insurance, pharmaceuticals, media, telecom, entertainment, energy, and manufacturing. Although it has a clean user interface, there have not been new product releases or significant upgrades announced since June. CRMNext will obviously need to accelerate the delivery of capabilities to avoid losing further ground in the Matrix.

**MAXIMIZER SOFTWARE**

Maximizer Software continues to rank poorly in usability and below average in functionality. The company prides itself in its hosting flexibility and supports migration between on premise and cloud options. In the Maximizer CRM 2015 release, there are pre-built Excel report templates as well as improved integration and security features. Although these are important advancements, these features are already available in most other CRM solutions and serves as more of a catch-up move. As a result, the company has not shifted far from its position in the Core Providers quadrant. If the company works to invest more in its functionality, it could help its positioning in the Matrix become more competitive.
SAGE CRM
Sage CRM has moved upwards in usability because it has made two major announcements since the last Matrix. In December, the company made significant enhancements to Sage CRM R2, its cloud solution. In particular, the user interface and navigation panels have been modernized to remove extraneous features and visual distractions. Sales people also have new dashboards, pipelines, and funnels. Users can access training for the new layout through the Getting Started page, which has videos and tutorials for guidance. In January, the company released Sage CRM 7.3, its on-premise solution. This announcement continued on the theme of greatly improving usability, and, perhaps most notably, it also added 10 new out-of-the-box notification features, which will help users prioritize tasks.

On the functionality side, the company could shift more investments towards marketing capabilities as opposed to sales, which would lead to a better positioning in the Matrix. In addition, the company is focused on providing customizable solutions to small and medium-sized businesses (SMBs), who benefit the most from vertical solutions. In speaking to CRM customers, Nucleus has found that SMBs benefit most from solutions that have out-of-the-box capabilities, such as support for industry best practices to accelerate time to value. Currently, the Sage customer base leverages partners to customize solutions for verticals such as real estate and construction; acquisition or integration of these capabilities into the Sage roadmap would likely improve its functionality position in the Matrix.

SAP
SAP CRM falls into the core providers quadrant of the Matrix in this edition. SAP’s maturing on-premise product for enterprise customers has typically been purchased bundled with SAP ERP and includes core capabilities for sales, marketing, service, partner channel management, case management, social service loyalty management, real-time offer management, and trade promotion management. As SAP focuses investment in its cloud portfolio, Nucleus expects SAP CRM to continue to deliver additional functionality at a slower than market pace.

SUGAR CRM
Since the last Matrix, SugarCRM has moved upward in functionality. In December, the company released Sugar 7.5, upgrades to its project module, and enhancements to its Dun & Bradstreet data connector. This allows users to augment CRM records with data from a variety of sources and combine it with internal data and the data from Dun & Bradstreet. In addition to the more advanced data capabilities, the announcement updated SugarCRM Mobile with offline capabilities, an enhanced tablet UI, and support for Sugar Logic. Recently, the company upgraded 18 partners to the elite status, which will extend the reach of its sales and marketing team. With an open platform and the extension of the partner network, customers will have access to greater flexibility in deployments, furthering the company’s main objective, which is to provide a highly configurable solution. Given the market trends in the CRM space, SugarCRM would benefit from
investing in vertical capabilities that would accelerate time to value for customers and improve its functionality position in the Matrix.

ZOHO
Since the last Matrix, Zoho has fallen in regards to functionality. Zoho provides affordable CRM options that allows users to identify trends and leads, and to track sales activities. Recently, the company added integration capabilities with accounting software. This creates a solution that reduces silos between departments. The concept of shared information across departments is valuable; however, it is important to build out the functionality in the realm of CRM before adding extraneous features. A product strategy focused on improving usability and building out fundamental CRM capabilities would help Zoho keep from losing further ground in the Matrix.