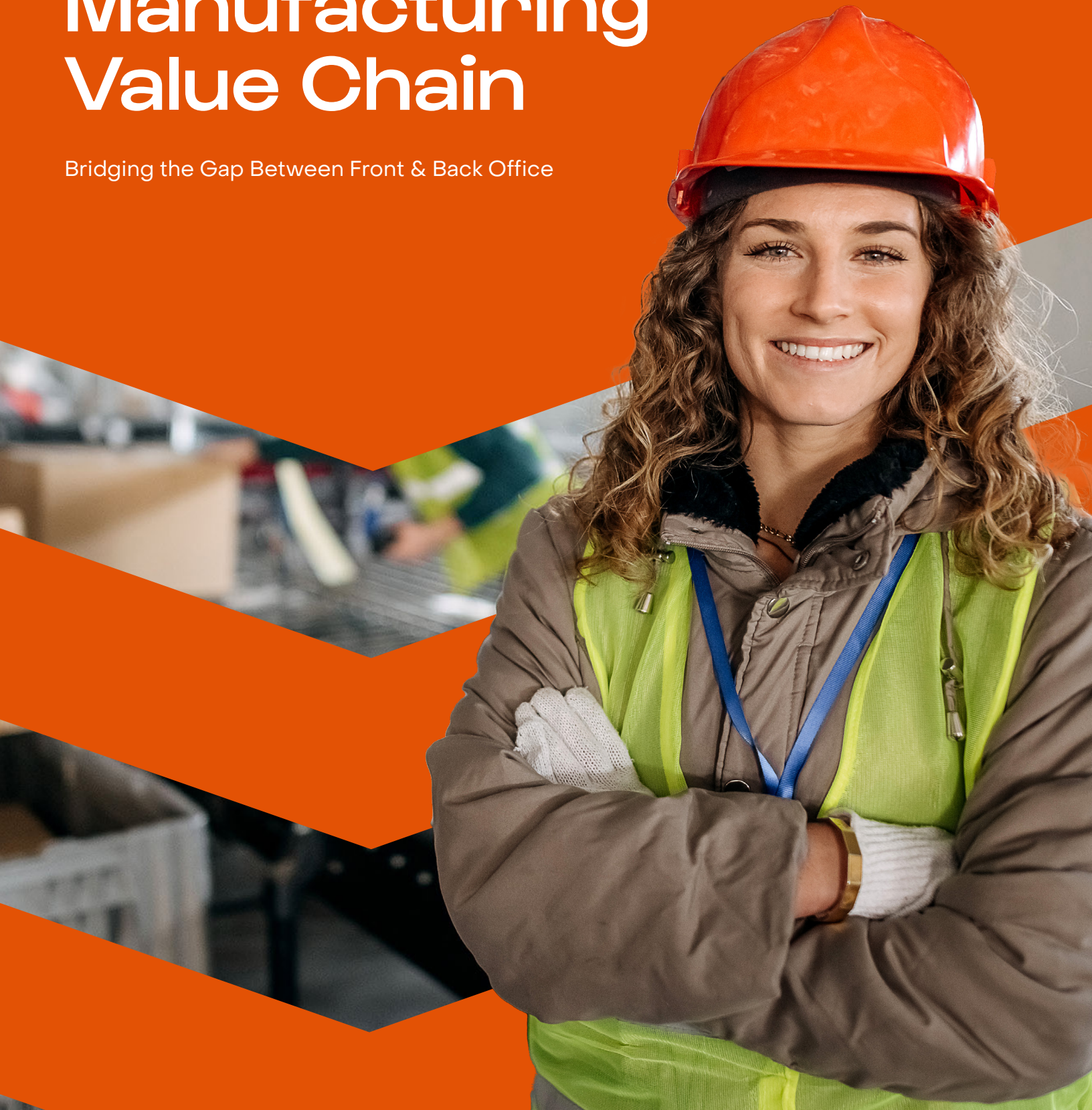# sugarcrm

# Connecting the Manufacturing Value Chain

Bridging the Gap Between Front & Back Office

# What's life like for today's smart manufacturers?

McKinsey and other big consulting firms report that manufacturers are still in the midst of a great digital transformation. It's their top corporate priority as they witness seismic shifts in their value chains, from manufacturing and warehousing to sales, distribution, and service.

What is unique about manufacturers and wholesale distributors is their reliance on **Enterprise Resource Planning** (ERP), their operational back–office system. As their businesses become increasingly digital, there is an enhanced focus on how internal systems – particularly the critical pillars of back–office ERP and front–office customer–facing CRM processes – can be more easily linked and optimized.

By creating a bridge between ERP and CRM, manufacturers benefit from a streamlined set of processes, ones that are more predictable and less risky, with lower cost processing and out–of–the–box value. It improves their ability to keep the pulse of their customers and provide great experiences, from the moment a product hits the warehouse,

to marketing teams telling a more personalized story, sales teams closing deals more quickly, and service teams making the whole experience more satisfying.

SugarCRM helps manufacturers leverage the critical customer data in your ERP system so you can generate key insights to market better, sell smarter, and improve customer service. Sugar understands the challenges, hurdles, and opportunities to leverage CRM to provide as much value as possible for manufacturing and distribution businesses, with the flexibility to address challenges across all industries.

"All activities, tasks and processes can be done directly in SugarCRM and there is no need to toggle between systems. We chose Sugar for the seamless integration with other systems, easy access to all relevant data, the simplicity of the application and the ease of use."

— **MORITZ K.**, CEO AND FOUNDER, CUSTOMER ALLIANCE

# Capitalize on Your Data to Turn Information into Money

Manufacturers and distributors have amassed huge volumes of customer information: which types of customers are purchasing specific products, what problems they are trying to solve, and how they use those products to run or even improve their businesses. The good news is that there are highly identifiable patterns in all that data that can be leveraged to develop better selling, marketing, and service strategies.

## It's about turning information into money.

In other words, it's about *turning information into money*: transforming the data combined in ERP and CRM into insights and tactics that will help you be a better consultative seller and business partner, resulting in additional revenue. Whether a marketer, seller, or service representative, the ultimate goal is to expand every opportunity and drive more business.

But to make it valuable, it is important to first be able to speak to customers about how to apply insights to specific real-world use cases. As one example, businesses can use the information in ERP to generate trends and best practices that show how customers that purchase product A, for example, also purchase product B for these specific reasons.

Manufacturing revenue is often generated from relationships with existing customers. Sellers, the primary users of CRM, want to develop strong relationships based on a deep understanding of customer needs to secure and expand revenue. Similar motivations drive marketing and service. The key, then, is to take all that information in ERP — such as invoices, orders, line items, and purchase history — and feed it into CRM to create more targeted marketing campaigns, generate new revenue opportunities, and build a more robust customer experience.

"Compared to a complex and rigid ERP system, SugarCRM is connecting everything automatically. This significantly simplified the processing of customer data, accelerated customer-facing processes and provides us with a 360-degree view of the consumer. The SugarCRM platform has become very popular quickly and the number of users is increasing consistently. We keep receiving suggestions for supporting new use cases and adding more process automation all the time. With SugarCRM we have a platform that easily adapts to our dynamic system landscape."

— **ANDREA S.**, CRM MANAGER, MELITTA

## TOP TIP

# Customer Health

Examine purchase patterns to determine account health and engagement strategy. Compose a customer health score based on recent interaction history, such as number of sales visits, new opportunities, service cases, and contact marketing engagement over the past 90 days.

# Roll Call:
# Key Use Cases
# Across Departments

Let's look at how tight integration between ERP and CRM takes hold in the real manufacturing world.

# Customer Segmentation for Marketing

For marketers, customer segmentation is everything. The more relevant an offer, campaign, or engagement, the more effective it will be. Refined targeting based on the right segmentation means a better customer experience. Manufacturing companies can use ERP information to open up access to new methods of segmentation and targeting methods that produce more personalized marketing.

When tightly integrated with the CRM, ERP data can show marketers product categories purchased, specific products purchased, and connected buying behaviors to see trends over time. Marketers can then use data analysis to make inferences based on buying behavior to react to changes from one customer to another or one industry to another. When a customer in a certain industry buys product A rather than product B, it shows us a trend that can be applied and anticipated for similar customers with similar business needs.

Once the segmentation is created, marketers can then divide customers into industry sets defined by manufacturing type (such as discrete or process), geography, distribution process, service requirements, and much more – and see how a marketer or seller can best approach each customer. Events and tradeshows, for example, are popular vehicles for manufacturing marketers. The right segmentation provides an opportunity to create exhibits and event content that resonate with customers for each specific type of tradeshow. The same goes for creating tailored campaigns and offers for each segment.

## TOP TIP

## Integrated Account Communication and Engagement

Manufacturers often need to communicate at scale with channel partners and customers to educate, engage, and service. Sugar Market can be integrated as a communication engagement engine to organize webinars, create nurture campaigns, and much more.

# Instant, Stress-free Service Solutions

In manufacturing, service reps are expected to quickly navigate volumes of information in order to resolve a customer request. This can be very stressful for the agent and frustrating for the customer if not accomplished. By instantly presenting customer ERP information in context of the service case, you will create a better customer and agent experience. As digital as manufacturing has become, service reps still represent the human side of the equation which is critical to maintain the customer relationship and related revenue.

Support cases may also surface product quality issues that need to be tracked and linked to product lines, customers, and standardized fixes and solutions. With ERP seamlessly linked to CRM, manufacturing service reps can work with information in real time and deliver instant gratification to customers with high expectations – ultimately helping to generate trust in the brand via these critical human–to–human interactions.

## A strong ERP-CRM integration provides the foundation for more rapid resolution of product issues, leading to a better customer experience.

From the moment a service request comes in, to searching for an order, shipment, or invoice, reps must have every relevant data point at their fingertips to do their jobs, without swiveling between various screens and systems. Many of those requests come directly from ERP data: what is my order's status? Where is my shipment? Or there's an error on my invoice. That data must all be represented clearly and concisely and must be easy to access and act upon immediately. A strong ERP–CRM integration provides the foundation for more rapid resolution of product issues, leading to a better customer experience.

**TOP TIP**

### Complex Account Navigation

- Organize and navigate complex and widespread customer organizations

- Segment by location types such as buying center or shipping location

- Create easily filterable lists and visual organization trees

- Roll up related information from related records for a consolidated review.

# Upsell and Cross-sell Opportunities

The ultimate goal of CRM is to turn information into money. But simply integrating ERP data is not sufficient. What you do with that information to turn it into business results is vital.

Reps should not need to spend valuable selling time staring at reams of invoices and pages of purchase history; it is a waste of time and an impediment to an effective selling strategy. That's an opportunity for the CRM platform to use the processing power of ERP, databases, business intelligence and AI to crunch through those numbers, compare what a customer has bought to what other people are buying, and make incisive recommendations for upsell and cross-sell opportunities. These scenarios should not be something a sales or service rep (or even the customer) has to think through. Specific tactics should be automatically generated and easy to deliver to the seller in an intuitive, actionable way.

## TOP TIP

## Visit Management

Manufacturers' sales visits are often structured to include elements of account planning. Visit agendas are often shared in collaboration with customers, and sales managers require reps to complete detailed visit reports. Meeting planning can be implemented that incorporates sales objectives, budgets, and case history. Multiple customer trip reports can also be compiled and shared with sales managers, product managers, and product marketing managers.

A CRM system can analyze transactional ERP data and sales intelligence to:

- Show reps that buying product A makes it easier to also sell product B, based on similar accounts, demographics, and purchase patterns documented in ERP and brought into CRM.
- Drill into things like spend mix, product slippage, and margin erosion right down to the SKU level to provide key insights on what to sell next.
- Improve "whitespace management", whereby product categories are created by size of potential revenue, organization market share, competitors with market share, and a plan to expand revenue into the 'whitespace.'
- Generate alerts so teams can take the necessary steps to remediate with personal communications, email nurture campaigns, or social campaigns.
- Make contract renewals easier to close and improve retention across long-term contracts.
- Pull in disparate data into a "timeline" view to see what specific actions customers have taken and plan future communications.

Product recommendations and next-best-action guidance must be quickly surfaced to the seller. They are particularly valuable for manufacturers or distributors with a larger number of SKUs, or those with highly technical product lines that require more specialized knowledge. In these situations, reps can benefit from pre-baked upsell and cross-sell scenarios.

# Upsell and cross-sell opportunities can be generated out-of-the-box in the CRM environment.

And the clincher is this: upsell and cross-sell opportunities – which often rely on complex analyses from business analysts – can be generated out-of-the-box in the CRM environment. Organizations can add value by eliminating ad hoc business analyses and delivering auto-generated upsell recommendations in real-time to reps eager for new business add-ons.

# Better Sales Enablement

Now take the upsell and cross-sell strategy and expand on it. When it comes to sales enablement, how do we educate sales reps so they can easily execute an upsell strategy? The key is to enable the upsell recommendation process and deliver in real-time to the seller so they can quickly relay the opportunity to the customer.

Think of it as "just-in-time education" or "just-in-time product marketing." We provide a mechanism to deliver marketing and product material at the right time to support and assist in those upsell/cross-sell tactics. Especially in cases where a manufacturer has thousands of products and reams of marketing materials, it can take a long time to train people on what they need to do in each scenario. And even if they have been trained in the past, reps may simply forget the exact details or how to follow the right path.

Robust CRMs quickly deliver a next-best sales strategy recommendation to a rep with just a few clicks, while also attaching all the material they need to digest and forward to the customer in an easy to consume manner. And this capability also applies to business partners and distributors in the value chain. Quickly communicate to specific market segments in your account base to educate, engage, and service partners and customers. Marketers and product managers can also use tools to organize webinars to educate partners and customers about products and services.

## TOP TIP

## Account Objectives

Sales managers expect their account representatives to plan how to retain and expand customer relationships. Objectives may be attached to accounts to organize account planning, such as introducing a new product category, identifying a competitor, scheduling a factory visit, or resolving a credit problem. Objectives could include target dates, priorities, and links to product catalogs or related contacts.

# Providing an Easy Path to ERP Integration

Sugar ensures ERP–CRM integration can support a completely integrated business operating system that spans both back-office and front-office operations. These integrations can encompass many critical activities across account creation, account updates, quote details, order details, shipment details, invoice details, summary AR 30/60/90+ balances, and summary period sales performance.

To that end, Sugar supports the synchronization of multiple integration points with back-office ERPs based on tasks a business is required to perform along a client's lifecycle. For example:

- Accounts and contacts information
- ERP Configure, Price, & Quote (CPQ) information
- ERP Order Placement through user interactions with their client or via a customer's eCommerce tool of choice.
- Financial insights such as white space analysis of customer purchases and financial integrations covered by partner Sales-i.
- Customer support integrations along with insights delivered via integrations with tools like JIRA.

Sugar offers a lot of flexibility in helping customers achieve their integration goals, leveraging packaged integrations with iPaas solutions such as Magic, Tray.io, Starfish, Workato, and more.

**TOP TIP**

## IoT Integration (via AWS):

Today's manufacturers increasingly attach their products to the internet to report on usage and product health. Collect high volumes of data from field IoT devices to access customer signals and aid in marketing, sales, and service operations.

# Make the Most of Your ERP Data with the Right CRM

Manufacturers must elevate their current digital transformation initiatives to stay competitive. From marketing and sales to distribution and service, creating a viable bridge between transactional ERP data and CRM processes creates a vast range of opportunities. Making ERP data readily available to stakeholders in real–time helps manufacturing businesses run on all cylinders, making selling, marketing, and servicing more predictable and more profitable.

# Revolutionize Your CRM and Business

Learn what SugarCRM can unlock within your organization.
A better solution is just a click away.

**GET DEMO**

## About SugarCRM

SugarCRM helps sales teams reach their highest potential. Companies choose SugarCRM to cut through complexity, prioritize opportunities, and increase upsell using the resources they already have. SugarCRM is ideal for complex, relationship-driven industries – such as manufacturing, wholesale and distribution – looking to accelerate growth and drive smarter decision–making.

Learn more at www.sugarcrm.com

**sugarcrm** | **Unlock sales potential**

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