

A New Take on CRM: Bringing Business Value to the Customer Relationships

Deloitte Consulting LLP's Customer Practice and an integrated SAP® platform can help you with your efforts to accelerate growth and improve operating margins

Many people associate Customer Relationship Management (CRM) with technology more than anything else. But CRM is not just an application. It's a series of processes and activities that helps to traverse the various aspects of the customer value proposition from product features and functions, to pricing and availability, from branding and marketing to sales and service. And like a thief in the night, misalignment among any of these activities can steal from the effectiveness of your marketing cycle. Take pricing for example:

Our experience suggests that most companies can achieve 2-3 percent gross margin gain through improved pricing. Why? We've found that most companies give away more discounts and rebates than necessary — an issue that can typically be addressed through more effective pricing models and better negotiations and setting of terms.

And, we believe, that's also one example of how Deloitte Consulting LLP (Deloitte Consulting) is different than most: We can help you go beyond a technology implementation view of a problem to help you in your efforts to:

- examine your customer challenges from a business perspective,
- determine an effective combination of channels, systems, processes and technology,
- continuously reinforce your value proposition in the eyes of your customers, and
- enhance your customer experience, build loyalty, and extend your most valuable relationships for life.

Move the Needle with SAP

SAP CRM provides operational, collaborative and analytical applications for sales, service and marketing organizations. However, even though

SAP's CRM applications are effective on their own, they are more beneficial when integrated with SAP ERP and/or SAP SCM. Integrating SAP CRM with back-office and supply chain systems can help you close the loop on the marketing cycle, improving your ability to know your customers better than before and to respond to their needs more efficiently – not to mention it helps provide the advantage of lower total cost of ownership. But just how much could an integrated SAP application “move the needle” in increasing shareholder value for your business? Deloitte Consulting and SAP have developed a methodology to help you answer that question through our complimentary, half-day “Move the Needle” analysis.

Customer Practice Overview

Consisting of nine Service Offering Groups, the Customer Practice is the collection of capabilities that Deloitte provides to our clients to help solve business problems in their customer facing operations.

Customer Experience	Improving profitability & loyalty by enhancing the multi-channel comprehensive customer experience
Marketing Effectiveness	Optimizing clients' return on marketing investments
Sales Effectiveness	Improving clients' sales ability from strategy through execution
Service Effectiveness	Improving the end-to-end enterprise service processes
Customer Insight	Recognizing patterns in customer, marketing, sales and service behavior
Pricing & Profitability Management	Impacting the bottom line by optimizing and executing pricing strategies
Contact Center Transformation	Transforming marketing, sales and service through contact center processes, capabilities, and technology
Web Channel Solutions	Streamlining customer and employee facing web solutions
Order Management	Achieving multi-channel, customer-centric order management across the opportunity to cash spectrum

During the analysis, we'll examine your models for marketing, sales, service and channel management; help your company pinpoint any "leaks" in your customer-to-cash pipeline; suggest ways to stop them; and examine how an integrated SAP platform can help your company move the needle along the critical dimensions of revenue growth, operating margin, asset efficiency, and expectations — all of which ultimately contribute to shareholder value.

Our SAP Customer Practice

Deloitte Consulting has been working with SAP CRM since its inception, and we regularly invest resources in understanding SAP's new upgrades and products before they hit the market. For instance, we have collaborated with SAP teams in Walldorf, Germany, to design, develop and test CRM solutions and tools, such as Trade Promotions Management, Channel Management, Food and Beverage, and the SAP CRM ROI Tool. And, we "walk the talk" regarding the value of SAP applications: Deloitte Consulting has implemented SAP CRM to manage its own sales processes from leads to cash.

Our experience and qualifications include:

- Completed over 40 SAP CRM implementations
- More than 3,400 SAP practitioners in North America and 5,000 globally
- Over 450 dedicated SAP CRM practitioners based in the United States
- Currently running SAP CRM 5.0 and 5.2 in our Solution Centers
- A suite of proprietary tools that accelerate implementations and minimize risk
- A unique "Move the Needle" methodology that helps companies quantify the business value of their implementations.

Priceless Tools for Optimizing Business Value

Deloitte Consulting has made significant investments in proprietary tools, methodologies and industry solutions that assist you in every aspect of your SAP CRM initiative, ranging from visioning through operating. While these tools work in different ways, they all have one thing in common: They help you to identify and optimize the business value of your SAP investment.

Value Analytics, Benchmarking Comparisons, and Capabilities Maturity Matrices — Using these tools, we can help you determine how your company stacks up against industry averages across important CRM KPIs, such as Revenue Growth, SG&A as a Percentage of Sales, Cost of Goods Sold, Net Asset Turns, and more. We can also show you how SAP can improve your business capability over the course of time and help you quantify what a single SAP platform could mean to your company in terms of increasing shareholder value. The results of these analyses can be typically used to support your business case.

IndustryPrints™ — Our IndustryPrints provide detailed process maps and best practices for individual industries, allowing you to document and redesign key CRM processes without having to start from scratch. We have also mapped the out-of-the-box capabilities of SAP CRM to these process models so you can readily see the paths that are available to generate value

without expensive customization.

Global Project Portal — This web-based repository houses all of the items necessary for effective project management, including the objects to be developed, SAP transactions, the data model, issue lists, change requests, etc. A convenient dashboard enables the project manager and team members to easily monitor project status and access important information.

CRM Value Map for SAP CRM — This tool illustrates what you can do in relation to CRM and how those activities can enhance shareholder value. It also links specific SAP CRM functionality to those activities that matter most so you can clearly see how the technology can drive improvements in revenue growth, operating margin, asset efficiency and expectations.

EVD for SAP — Enterprise Value Delivery (EVD) for SAP is a firm-wide Enterprise Application implementation methodology that provides a clear progression through the entire project lifecycle. The methodology combines deliverables, templates and tools with a series of project phases and threads. The phases are key groupings of activities that follow a progression through the project lifecycle, while the threads relate to common themes of Deloitte Consulting expertise that cut across each of the phases. This methodology is unique because it is the only one that leverages SAP's methodologies and best practices and combines them with a global knowledge repository and multidisciplinary capabilities, ranging from tax to change management to outsourcing. This "total project lifecycle" approach not only helps you to accelerate your CRM implementation but also to identify and take advantage of opportunities in other parts of your company to maximize the value of your SAP system.

Find Out What an Integrated SAP Platform Can Do For You

An integrated SAP platform can help you improve the effectiveness of your marketing strategies, strengthen your customer relationships, and innovate in ways that were never possible before. Our experienced CRM practitioners and proprietary tools can help you to understand the business value of an SAP CRM investment and then to realize it efficiently with minimal risk.

Imagine how you could differentiate your value proposition if you had the operational capabilities to identify valuable customers, understand your supply chain costs and to generate a consistent flow of real-time information about customer preferences and cost to serve. What could these capabilities do for your customers and your company? Find out — with no strings attached — via our complimentary "move the needle" analysis. To schedule yours or to find out more about Deloitte Consulting's Customer Practice, please contact:

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The information contained herein is based on the experiences of our Deloitte Consulting professionals.

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