

# Utilizing New Technologies to Create a Conducive CRM System

March 23, 2012

Taylor Erickson  
Vice President, IT

**LANX<sup>®</sup>**



Lanx is one of the largest privately held global spine companies.

The Company was founded in 2003 to improve the quality of spine care and provide surgeons with innovative products.

Lanx develops and markets a full line of fusion technologies with a focus on minimally invasive and biologics products.

The Company is headquartered in Broomfield, CO.

**LANX**<sup>®</sup>

# CRM Implementations Success/Failure

Standish Group: Survey of 8,000 software projects

- Average project exceeded planned budget by 90%
- Average project exceeded schedule by 120 percent

CRMBuyer

- 50% of all CRM implementations viewed as failures from a customer's point of view
- 55-75% of all CRM projects fail to meet their objectives

MIT Sloan Management Review

- “...most senior management teams have a unbalanced approach to managing marketing investments, and this is particularly evident in the case of CRM.”

# Top reasons for CRM Failures

## Installing technology without a business strategy

- Gartner: A unified CRM strategy is absolutely critical to CRM success, but developing and implementing such a strategy is a complex, difficult and intensely political process.

## Salespeople just don't want to use the software

- Used to legacy systems/processes
- Put off by need to enter more data
- Shy away from offering customer information that could benefit others
- CRM is sold as a tool to make an organization more effective and efficient; but the end user doesn't see CRM as making them more efficient and effective.

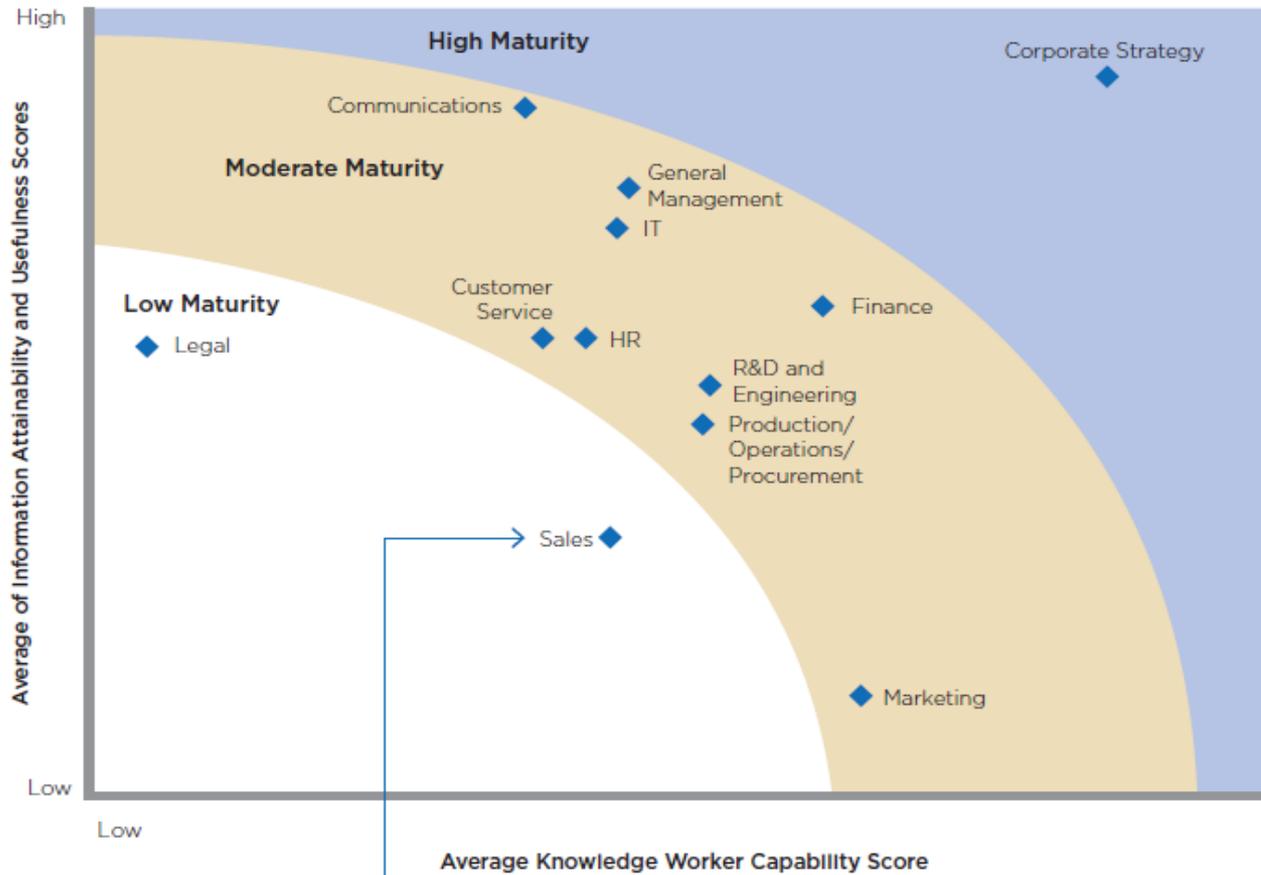
## Paying insufficient attention to user needs and benefits

## Not attaching measurements to your objectives

“...most senior management teams have a unbalanced approach to managing marketing investments, and this is particularly evident in the case of CRM.”

# INFORMATION PROBLEM

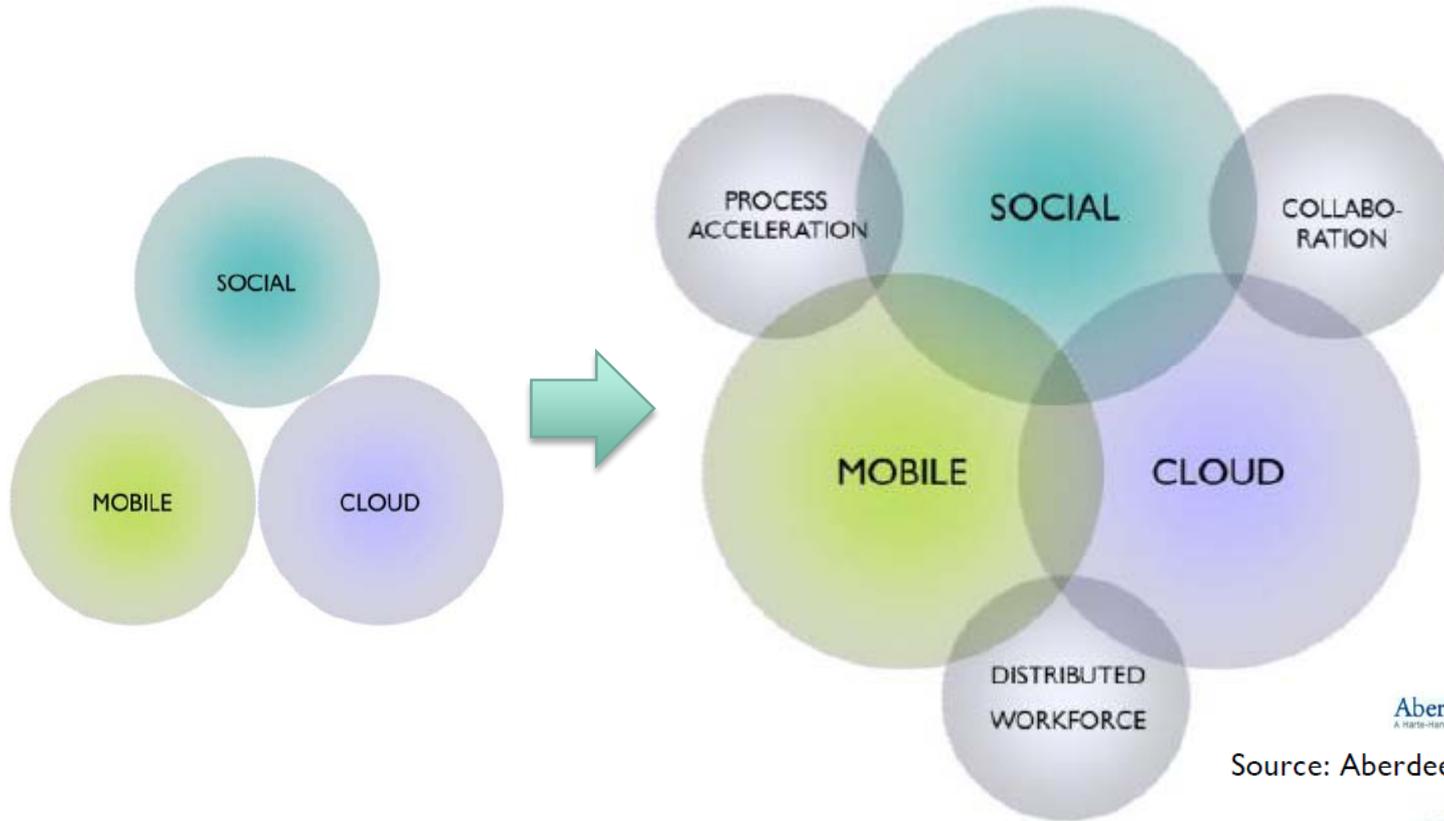
## Analytical Maturity by Function *Average Functional Maturity*



The sales function is among the most analytically immature in regard to both knowledge worker capability and information attainability and usefulness.

n = 4,941 knowledge workers.  
Source: CIO Executive Board research; Applications Executive Council research.

# SoMoClo to create a Conducive CRM System

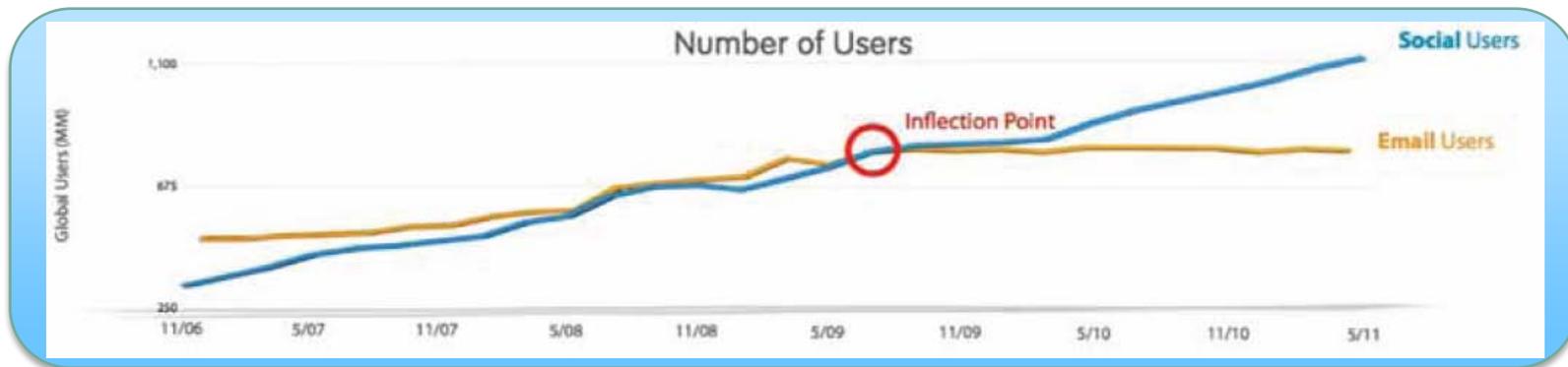


Source: Aberdeen Group, January 2012

**SoMoClo:** The convergence of social, mobile, and cloud IT infrastructure...these emerging technologies function as a unified construct

# Social

The New Age of the social customer has arrived, marked by an ever increasing stream of blog posts, css feeds, status alerts, tweets, and “likes.”



23% of time spent on-line is on social media sites –Nielsen Study  
56% of U.S. consumers feel both a stronger connection with and better served by companies when they can interact with them in a social media environment

# Social for Business

## Comcast's Twitter Man

"I think it's safe to call Comcast's Frank Eliason the most famous customer service manager in the U.S., possibly in the world"

-Bloomberg / Business Week

## IBM

Assigned employees to "Listening for Leads" program, brought in millions of dollars in new business.



**Listen, Analyze, Connect, Sell**



# Social Analytics Example



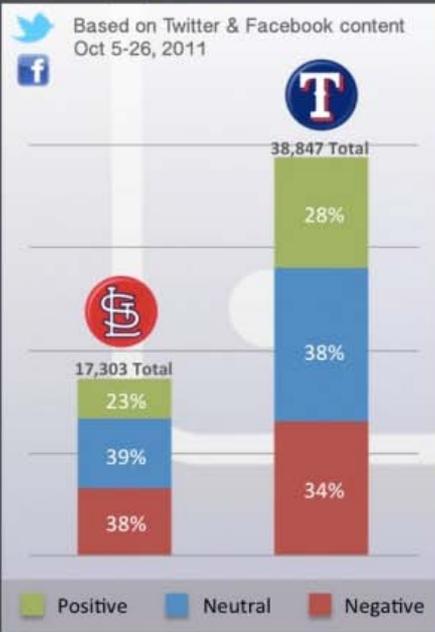
## 2011 WORLD SERIES Social Media Popularity Metrics

Compiled by Mantis Pulse Analytics™

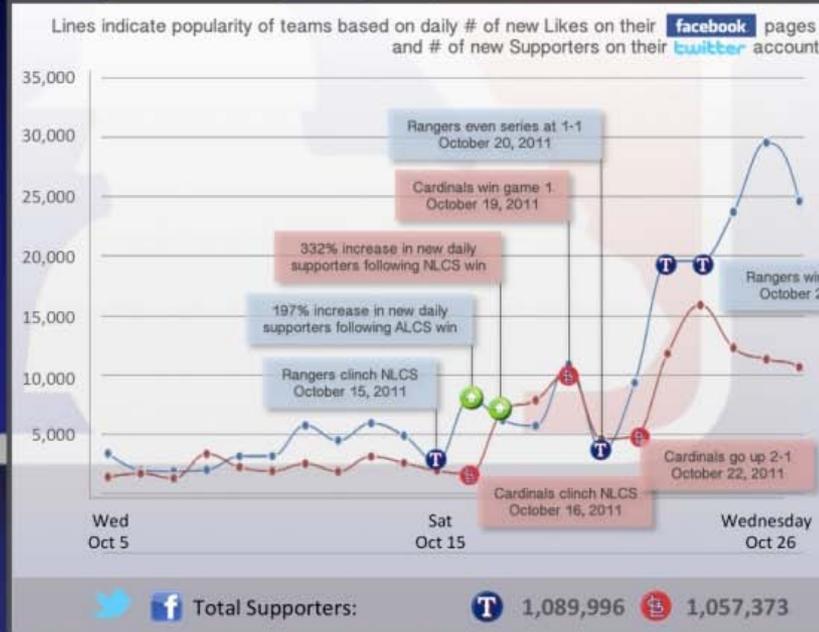


**OCT**  
**26**

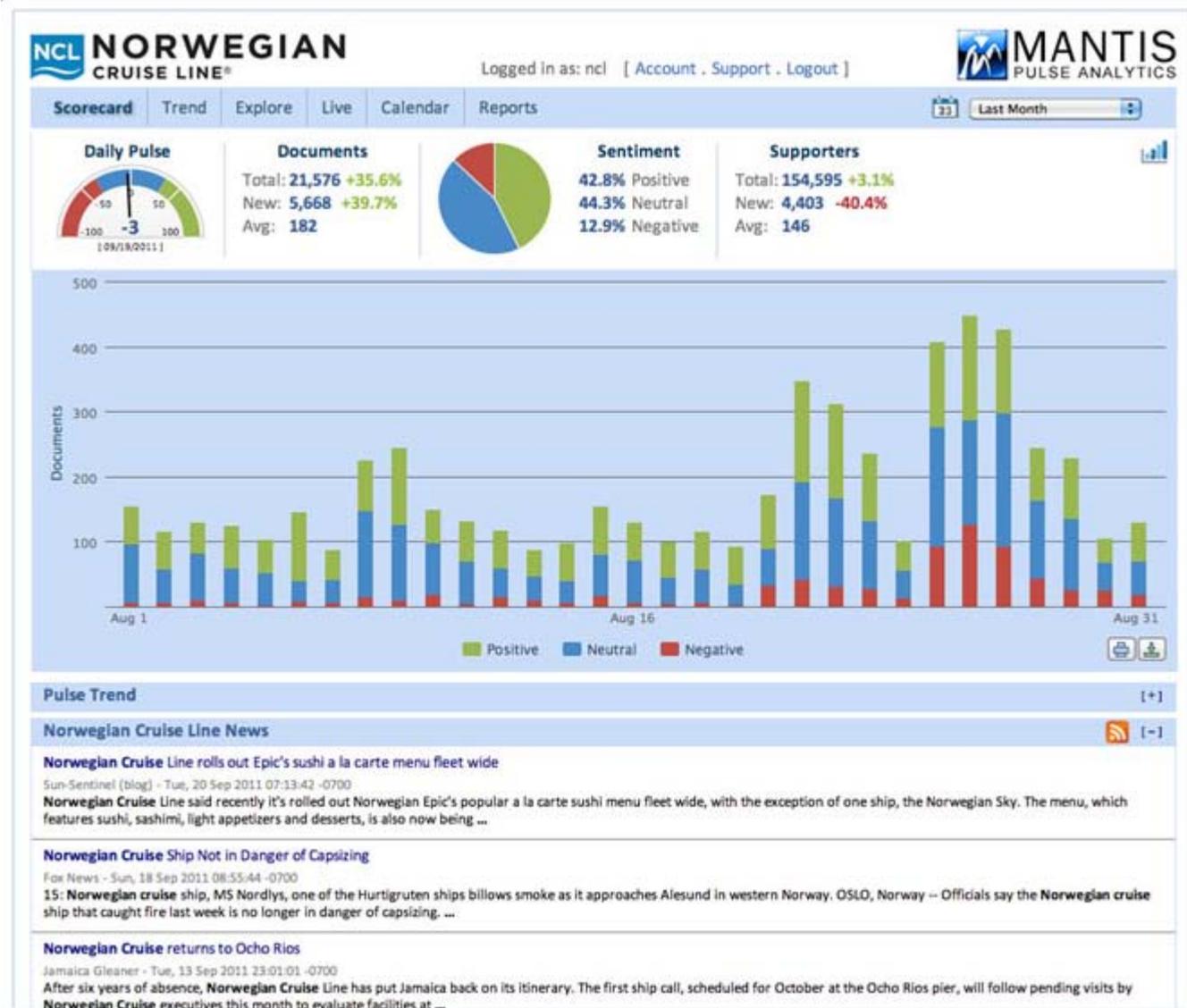
### Sentiment



### Popularity



# Social Analytics Example



# Growth in Mobile

- Over 70% of the worlds population now has a mobile phone (US = 9/10)
- Children more likely to own a mobile phone than a book (85% vs 73%)
- Google's Android OS is growing at 886% year on year
- 50% of all local Internet searches are performed on mobile devices



In 2009, **\$4.2bn** was spent on apps

In March 2010, **Google** launches a store for business apps

In 2013 an estimated **\$29.5bn** will be spent on apps

(source: Gartner 2010)

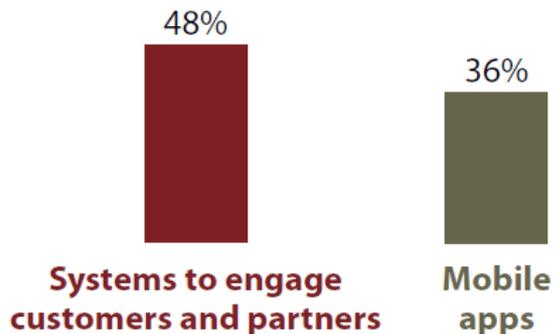
**In the next 5 years, more people will connect to the internet via mobile vs a PC**

# Growth in Mobile Business

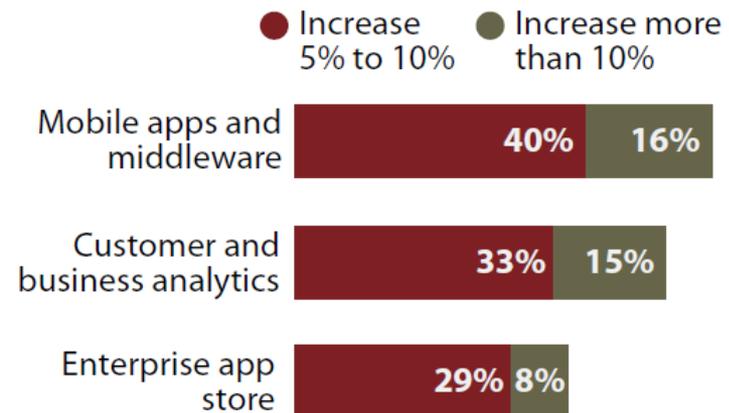
- Mobile Spend will reach \$1.3 trillion (35% of the technology economy) as Mobile apps market reaches \$55 billion in 2016. –Forrester
- Business spending on mobile projects will grow 100% by 2015.
  - “Every life sciences firm now has a tablet strategy for sales reps.” –Forrester 2/13/12

## Business leaders prioritize mobile investments

Business execs want IT to prioritize systems of engagement and mobile\*



Mobile and analytics will command new business budgets in 2010†



\*Base: 1,004 North American and European business decision-makers from firms of 1,000+ employees

†Base: 1,047 North American and European IT budget decision-makers from firms of 1,000+ employees

\*Source: Forrsights Business Decision-Makers Survey, Q4 2011

†Source: Forrsights Budgets And Priorities Tracker Survey, Q4 2011

# Mobile Engagement - Design



## Interface Design

Leverage existing Security

Leverage existing reports

Leverage multiple data sources

(SAP, Salesforce.com, Excel, SQL..)

## Mobile Design

I-Pad / I-Phone

Engaging Interface

Simple, Intuitive

On-Line / Off-Line

**The pulse of business...in the palm of your hand**

# What Enterprise Software Firms can learn from Angry Birds



Take existing technology mobile

“Shrink to Fit”

Vs. Design for Mobility



# Cloud

Computing as a utility...someone else is providing the facility, cooling, power, hardware, operating systems, bandwidth, applications, infrastructure services, specific human capital, etc., via a short or long term lease.

Shifting CapX costs to OpX.

SaaS - Software as a Service

PaaS - Platform as a Service

IaaS - Infrastructure as a Service



Consumerization of IT: The growing tendency for new information technology to emerge first in the consumer market and then spread into business and government organizations

# In - SoMoClo

Integration Cloud - connect any combination of Cloud, SaaS, or On-Premise applications with no appliances, no software, and no coding

## Data Explosion:

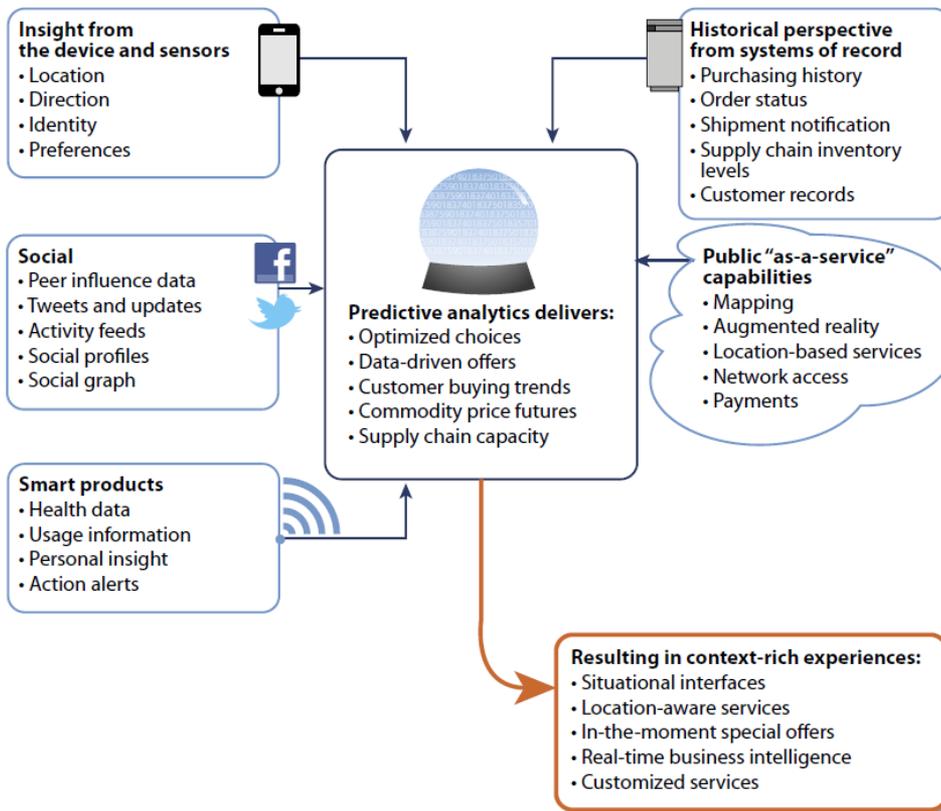
It is estimated that 4 exabytes (4.0 x 10<sup>19</sup>) of **unique information** will be generated this year.



**That is more than the previous 5,000 years.**

# Spot Apps – New Systems of CRM Engagement

**Systems of Engagement use Context to deliver a great CRM experience**



**Geoffrey Moore:**  
New Systems of Engagement

*Empower customers, employees, and partners with context-rich apps and smart products to help them decide and act immediately in their moment of need.*

- ↑ Specificity of Apps
- ↓ App Scope
- ↓ Project Size
- ↑ Rate of Deployment
- ↑ Adoption



**THANK YOU**

**LANX<sup>®</sup>**