

eWareWatch

memorex telex

A wireless eCRM case study

from intranets and extranets to everywherenets

The Convergence of Wireless & VPN
Technology By Nicki Hayes, European
Correspondent, wirelessdevnet.com

you need an 'e' to spell eCRM

Now that e-commerce is here to stay,
can everyone who has something to
sell get in on the eCRM act?

ERPs must e-evolve to catch up with CRM

As the number of companies offering
automated customer services over the
web increases, eWare Watch asks "What
are the back-office application vendors
doing to ensure compatibility with CRM
packages?"

Justifying and delivering ROI with eCRM

Nick Hewson, founder of The Hewson Group, explores the issues associated
with investing in eCRM systems

WHAT THE ANALYSTS SAY

eWare is a strong company that has come to the market early and could soon find itself in a very enviable position in the CRM market.

Extract from The Aberdeen Group Profile on eWare. For the full report visit: www.eware.com/press-aberdeen.htm



welcome

Welcome to the launch issue of **eWare Watch**, eWare's news bulletin about developments in the internet and wireless eCRM market.

As the leading provider of wireless and internet based eCRM solutions, eWare is ideally positioned to provide up-to-the-minute news and analysis about issues affecting the eCRM industry. This is exactly what **eWare Watch** aims to do.

So, what issues does this launch issue of **eWare Watch** address?

Well, even though eCRM seems to be a hot topic among the business and IT media at the moment, many organisations still struggle to justify investing in an eCRM system. eCRM expert Nick Hewson of The Hewson Group provides some excellent advice on this in his article **Justifying and delivering ROI with eCRM** on page 2. His colleague Nick Siragher provides further advice, answering some frequently asked questions about migrating your CRM system to a web-based model in our **e-clinic** on page 12.

Even when organisations have justified investing in an eCRM solution, there are still many hurdles to cross, not the least of which is deciding how to select an eCRM solution. This is not easy, especially given the race there has been to launch such solutions on the market with what seems like another non web-based CRM provider or ERP vendor announcing its web-based solution every day. We address some of the considerations you need to take into account in the article on page 11, **ERPs Must e-evolve to catch up with CRM** and the article **You need an 'e' to spell eCRM** on page 10.

Then there's the consideration of whether or not to extend your eCRM solution to the wireless world, providing your staff and customers with information over wireless devices such as mobile phones and PDAs.

Wireless internet expert Nicki Hayes, European correspondent for the Wireless Developer Network also takes a look at what the convergence of wireless and internet technologies will deliver, predicting a move from intranets and extranets to everywhere-nets in her article on page 6.

Then there's also a case study about system integrator Memorex Telex's implementation of a wireless eCRM solution, providing evidence of the types of benefits many organisations are already deriving from wireless access to such everywhere-nets on page 4.

In addition to these in-depth articles, there are news bulletins providing information about eCRM events and eWare news, which we hope you will find useful and informative too.

Kind regards

Ivan MacDonald
Founder & CEO, eWare

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Who is eWare?

eWare is the leading wireless and internet eCRM company. Its eCRM solution integrates sales, customer care and marketing employees with partners and customers through a single complete e-business system. It can be accessed and interacted with through a standard web browser on any internet or wireless device including mobile phones. The product's thin-client modular architecture delivers significant business benefits to medium and large corporations, delivering unrivalled Return on Investment and is unique to eWare in the eCRM industry.

Established in 1997, eWare is a privately held company headquartered in Dublin, Ireland with offices in UK, Germany, Netherlands and USA.

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ReOCRM

Justifying and delivering ROI with eCRM

By Nick Hewson, Founder, The Hewson Group

Nick Hewson, founder of The Hewson Group, European CRM Analysts, explores the issues associated with investing in eCRM systems, including measuring ROI, and provides advice on alternative ways to justify such expenditure to your boardroom.



Many organisations are questioning the value of eCRM, given the disappointment they have experienced in terms of the web's business generating capacity. Some of the available figures suggest that such faint-hearted companies may have a point. According to Hewson Consulting Group's (HCG's) third online survey, some UK online companies are bringing in just £1 in gross profits for every £46 spent.

So why should the answer be to spend more money on the web?

First let's cast a new perspective on why the return from online advertising is low. Often the answer is that web sales are handled badly. We all know that some 33 percent of customers leave web sites because they can't find the products they want and that 66 per cent of shopping carts are abandoned before they get to the online checkout. Our research validates these statistics, showing that companies are wasting on average 1 in 12 online sales enquiries.

Our research also shows that only eight per cent of email requests for information are answered promptly and correctly, 51 per cent give incorrect, slow, or incomplete information, and 41 per cent do not respond at all. Yet this is an area where there is a proven case for investing in email-based service systems once incoming volumes hit 3-4000 emails per month. At this level, it is likely that you will break even on cost savings alone. There is plenty of evidence to show that improving your online service before customers reach the check out desk will significantly increase sales. An eCRM system will facilitate this.

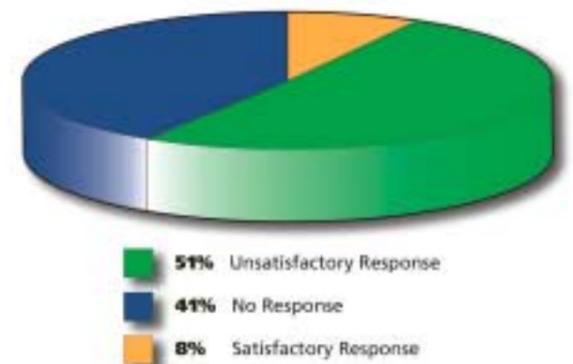
Figures for CRM in the offline world are favourable too. The latest IDC study shows that companies initiating CRM projects can expect to yield an immediate revenue increase of 8 per cent, growing to 16 per cent over two years. In some projects, revenue increased by as much as 42%.

When you look at some of the benefits that at first seem to be 'soft', the argument gets stronger too. Take customer satisfaction, one of the biggest arguments in favour of eCRM. Business on the web must be customer driven, because it is too easy for the customer to find comparable prices and service elsewhere. In the real world a customer might maintain loyalty to a less than satisfactory store if it's close by, or it stocks a particular brand that they like. But on the web it's easier for companies to undercut one another, and far easier for customers to comparison shop. Each time the customer requests a brochure or submits a query and receives no reply, they are more likely to go elsewhere. With an eCRM system this just won't happen.

Maintaining and eventually expanding a customer base is clearly one of the major benefits of introducing eCRM, but this can not be translated into a figure to calculate ROI. So how do you go about convincing your board to invest in such a system?

Adding the returns

A good way is to take the focus off the single ROI figure. Turn the spotlight onto the areas that can be measured more accurately. These include increased revenue, decreased costs, increased adaptability and increased scalability.



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An eCRM system can increase revenue directly by increasing the number and the value of sales made through the web site. Internet users like the freedom to browse, compare, and order goods through the site without needing the phone or fax. A good automated sales process as part of an eCRM system can streamline this activity, reducing mistakes and increasing the likelihood of repeat business. An automated system can also handle a far greater volume of business than a team of operators. This all adds up to increased revenue and decreased cost – more sales and fewer staff.

The value of sales can be increased by offering discounts to regular and high-value customers, allowing the company to charge a higher price to those who don't qualify for this treatment. This creates a feeling of exclusivity among the high-value customers as well as encouraging other customers to shop aspirationally. Because each customer's profile can be maintained separately, customers can be streamed into their separate categories when they log on. This allows the company to focus more attention on its higher value customers without ignoring less profitable orders.

As well as the commercial benefits there are huge technical benefits. A totally web-based eCRM solution, like eWare's, is built from the ground up to work on the web. That means it's thin-client, so it runs through the browser without needing installation, maintenance and upgrading on every machine every time. It's completely scalable, allowing the company to grow without performance degradation, and it requires little training. Fewer IT headaches bring their own commercial benefits – less down-time, fewer customer complaints, greater continuity of service.

Subtracting the investment

So far, so good! The idea is sound, and the benefits are obvious. But what kind of investment must the company make to get such a system off the ground?

Well, HCG puts a figure on the venture of somewhere between £600 and £8,000 per user, depending on the scope of the project and the existing infrastructure. And although it seems hard to calculate the ROI without knowing the initial investment, at least this can be costed in advance when the scheme is approved in principle. For eCRM systems, if the company is already web-enabled, there should be a significant overlap in technology, allowing much of the existing infrastructure and hardware to be used. And eCRM systems are inexpensive compared to the cost of setting up a call centre with staff.



70% of call centre costs are in staffing. Web-based eCRM can greatly reduce costs and increase volume

This is a major hook on which to hang the ROI argument. Any investment in an eCRM system will give greater returns than the same amount invested in a call centre or a mass-marketing initiative.

If the company set up a new call centre to handle traffic from the web site, 70 per cent of the centre's costs would go towards staff. But by automating many call centre functions over the web a company can simultaneously save on the number of staff required to perform these functions and increase the volume of calls that the centre can handle.

On the advertising side, analysing customer buying habits and asking customers to fill in questionnaires where possible can hugely increase accuracy. Direct marketing materials can be greatly reduced, and those that are sent out can be quickly dispatched and accurately directed thanks to the automated system. More importantly, thanks to the new, closer relationship that the company has developed with the customer, any marketing materials sent out will have been specifically requested, and so will be seen as a commitment to customer service rather than junk mail.

Finally, the biggest commitment a company needs to make when deciding whether or not to switch to an eCRM system has to do with the focus of the business. Not all processes need to be automated and thrown onto the web immediately. Companies can take their time and carefully plan which areas of the process to open up to the online customer first. But the company must make the decision to become customer-focussed before it can take the first step into realising the benefits of the system, and it must be prepared to extend that customer focus beyond the web site and into all areas of the operation. If companies don't put the customer first, then there is no point in making any investments, because there won't be any returns.

eWare & COMPUTER ASSOCIATES DELIVER NEXT GENERATION eCRM – GLOBALLY

eWare, the wireless and internet eCRM company has licensed its sales and marketing CRM modules to Computer Associates International, the world's leading e-business solution provider. eWare's leading-edge CRM technology will be integrated with CA's business analytics and predictive customer intelligence technologies, with CA using its extensive promotional resources to deliver eWare into its current and future customer base. eWare Sales and Marketing will be included as part of CA's core e-business management solution. eWare will continue to develop and promote the complete eWare solution independently.

"In today's new economy, understanding the customer is imperative," said Jacob Lamm, CA senior vice president. "Companies need to retain and cater to their best customers, while creating campaigns that target the most profitable new prospects. Equally as critical in today's marketplace is the ability to analyze and extract value from customer data and uncover new ways to generate additional revenue from existing customer relationships."

For an extended version of this news item visit:

<http://www.eware.com/press-capartner.htm>

COMPUTER ASSOCIATES
Software superior by design.

eWare
the Wireless & Internet eCRM Company™



eWare APPOINTS MIKE ANTONIADES VICE PRESIDENT FOR EUROPEAN SALES

Dublin, 24th October 2000 - eWare, the leading provider of eCRM solutions, today announced the appointment of Mike Antoniadis as the Vice President of Sales Operations for Europe. Based in London, Mike will be responsible for driving eWare's revenues across Europe and consolidating the company's emergence as a key player in the European eCRM space. Part of this brief will be to develop sales in Ireland through close liaison with the Irish sales team.

Key to the company's expansion strategy is to provide world-class implementation and support services. As part of this goal, Mike will be responsible for setting up offices across the continent, as well as developing partner and distribution channels.

Ivan MacDonald, CEO of eWare, commented, "We are delighted to have Mike on board as part of the senior management team. His experience in propelling revenues for international e-business companies, particularly in the CRM arena, will be instrumental for our growth in the European market."

Mike brings with him a wealth of experience in implementing and delivering sales and marketing programmes. He joins from Pivotal Corporation where he was Director of Sales and Marketing, EMEA, and has held a track record of over achieving sales targets. Prior to that, he was Global Marketing Director for Systems Union Ltd, responsible for developing operations in 18 offices world-wide including UK, Europe, Americas and the Far East. Mike also had responsibilities for customer care development programmes in all these regions.

"eWare is an ambitious and exciting company," said Mike Antoniadis. "Its Internet and wireless-based technology is clearly superior to what is already on offer in the market and it already has an impressive history of speedy and full implementations across Europe. This makes the company well-positioned to lead the eCRM space in Europe."

eWare SECURES \$10 MILLION IN FUNDING

eWare has secured \$10 million in its second round of funding from 3i Group, ICC and Goodbody Private Equity Technology.

The investment is led by 3i Group, Europe's leading venture capital company. The proceeds from this funding will be used to significantly grow eWare's operations in Europe and the US, through further expanding eWare's direct sales, marketing and partner operations in these regions.

Alan Wyley, COO of eWare commented, "We are delighted to have secured this funding which will allow us to aggressively pursue the next phase of our roll-out. In a market dominated by conventional CRM technologies, we are the only company with a working internet and wireless eCRM solution. This investment not only validates our business model and the strength of our technology but also enables us to maintain a leadership position in the eCRM arena."

For an extended version of this news item visit: <http://www.eware.com/press-funding.htm>

You need an 'e' to spell eCRM

By Mike Antoniadis, VP Sales Operations Europe

Now that e-commerce is here to stay, can everyone who has something to sell get in on the eCRM act?

Not unless you're committed to doing things the web way, say the experts.

There's no longer any doubt about it – e-commerce is here to stay. Improvements in e-security mean that consumers are more confident about shopping, banking and investing online, and, thanks to eCRM providers, it's an easy transition from phone operator to online form. Or is it? Like a lot of the improvements technology is supposed to deliver, eCRM can perform only if it's both designed and used properly.

And there are so many contenders spending big bucks to try to ensure that they can offer eCRM solutions. Take the recent news of Siebel's acquisition of OnLink for \$600m in stock and Matchlogic's purchase of real-time analytic and campaign management vendor DataInsight, for roughly \$20m.

Although the deals were for completely different technologies, both underline the increasing dominance of the web in customer-based interactions. It's a phenomenon we're seeing time and time again as old school CRM vendors, such as Siebel, Vantive and Clarify, rush to build out their client/server application suites with web-enabled, client-based software that allows organisations, their customers, employees and suppliers to directly interact via web, email or telephone.

So why are such established players rushing to add an 'e' to their legacy CRM solutions?

Well, there are many advantages of doing business over the net. Companies can track their customers with an accuracy that offline businesses can only dream about and gathering customer information, pinpointing markets, and collecting feedback on products and services has never been easier or more cost or time effective. eCRM leaves companies free to concentrate on turning statistics into profits, profits that established CRM players do not want to lose out on to new entrants.

But it's not all good news in the e-business market place. The early demise of sites like Boo.com serve as a reminder that the net is not for everyone, and throwing money at a business won't necessarily save it. The hype that the media has generated around such failures has done little to boost consumer confidence in the e-world. Confusing information positioning web-enabled solutions as web-based only serves to confound such confusion.

Add to this the fact that research is showing that customer expectations are not being met by many supposedly web-based businesses and the picture is still less rosy. Take Gartner analyst Ed Thompson's startling research, suggesting

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that e-commerce companies are not living up to reasonable customer expectations. He claims that it takes US companies an average of seven weeks to reply to customer service e-mails, and that a large proportion of UK companies do not respond to mails at all. Companies can't afford to be half-hearted about doing business on the net, Thompson says, and in many cases would be better off spending money on training staff to handle existing technology and customers instead of chasing new business.

While a lot of customers are still only interested in how much they pay for an item and how quickly it can be delivered, most are interested in getting more from the internet shopping experience. If the experience matches their expectations, they will return to the same sites over and over again. But if it doesn't, they will abandon their shopping carts and go elsewhere.

Some companies see the introduction of an eCRM system as proof of their commitment to such a total online shopping experience, and in some cases it works very well.

Take Dell, for example, a company that has opened up its whole sales and ordering system to home-shopping customers, allowing them to create their own PC packages in their own time, without speaking to a service representative. This enables the customer to browse at their own pace, and to feel less pressured into overspending, resulting in more return visits and good word-of-mouth. Dell can make this work because it has put the necessary resources into the project.

So how does a company get its ordering system online so that its customers can start choosing for themselves?

According to Gartner, the key is planning. They advise businesses to build a comprehensive eCRM system around a single customer schema, but stagger the rollouts to give employees and customers time to get used to the new technology. So companies should start with one area of the process – such as sales force automation – but they should already know when it rolls out what other areas of the business will tie into the new application. Too many companies adopt a 'try-it-and-see' approach, which confuses the employees because they don't know what the end result will look like. Others develop an entire system behind the scenes and unveil it to customers as a total new look, which can frighten customers off.

It's also vital that the software is right for the job. Simply taking an existing LAN- or WAN-based system and putting it onto the web won't work.

Of course many existing systems can be adapted to run on the web, but these web-enabled solutions don't provide the full range of benefits that a truly web-driven eCRM system offers.

Companies like eWare produce eCRM solutions that not only leverage the power of the internet, but that are also built from the ground up to run on the web. These thin-client solutions are quick and easy to install and use, because everything is done through the web browser. Because they work through existing technology, the interface and commands are familiar, which means that customers and staff alike can begin using the new technology with minimal training. Maintenance and upgrades are easier to manage, and there is less down-time than with traditional client/server installations. Such thin-client eCRM systems can even run on handheld wireless devices including PDAs and mobile phones, so are well and truly future-proof.

So how can you tell whether an eCRM solution is truly web-based, or simply web-enabled?

The best way is to see whether you can access the solution over the vendor's web site without the need to download any third party software. If you can, then you're looking at a truly web-based solution, if you can't you need to start asking the vendor questions.



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on the road with MEMOREX TELEX

A WIRELESS eCRM CASE STUDY

BY NICKI HAYES, EUROPEAN CORRESPONDENT, WIRELESSDEVNET.COM

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Earlier this year, Memorex Telex, a subsidiary of the pan-European MSH International Services A.G., implemented the world's first wireless electronic customer relationship management (eCRM) system. Here's the story of its implementation.

In the beginning there was diversity...

Like many fast-growth companies, Memorex Telex kept track of customer contacts through diverse and disparate systems. But to continue its excellent standard of service at its current rate of growth, it urgently needed a single central system to provide a consistent view of all customers through every stage of the sales process.



Memorex Telex prides itself on its understanding of its customers and new technology, and is always quick to adopt leading-edge solutions. It was quick to recognise the need for a system that could be accessed from any of its salespeople's locations, giving them complete, real-time information online, anytime, and it welcomed the opportunity to implement a pioneering web-based solution that could be extended to the wireless world.

...then there was thin-client

After a period of research, Memorex Telex selected eWare's completely web-based eCRM solution. eWare offered the only truly thin-client solution. This architecture had given eWare first to market advantage with a wireless eCRM solution.

Greg Casey, VP Strategic Alliances eWare, advised: "Memorex Telex wanted to build a single system to record a complete view of the customer, which could be available to its sales and customer care teams regardless of location or device. This is exactly what eWare delivers."

Because of the drawbacks of its legacy client/server-based customer tracking systems, Memorex Telex decided early on that a wireless, web-based eCRM system would provide the best solution because

- 1) it would not require installation on every machine, streamlining the installation, maintenance and upgrade process
- 2) it would guarantee accessibility and availability to as many types of device as possible
- 3) it would be based on the most future-proof infrastructure available

"eWare's core infrastructure is entirely wireless and internet-driven," commented Paschal Naylor, CEO of Memorex Telex. "We knew immediately that this meant only one installation for all our users. We were keenly aware that this also meant access through all the internet devices available, including WAP phones and PDAs."

...then there was WAP

It is the WAP implementation that makes this case so interesting and a first in the eCRM world. One reason why Memorex Telex can so easily deploy a WAP solution is that the company is based in Ireland, which, in common with most European countries, has an advanced GSM network already in place. eWare currently uses the infrastructure of the mobile network operator Esat Digifone for its Irish operation, and is in discussion with global mobile network operators.

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...then there was two-way data communication over the mobile phone

To date, Ireland's GSM network has primarily been used to supply content, with data being pushed to the mobile handset. Memorex Telex and eWare have taken this one step further, allowing two-way data communication. eWare technology allows organisations to access elements of a web-based eCRM system via a WAP mobile handset. Although eWare tailors the content and appearance of WAP-based information to allow quick and intuitive access, they advise that most users require access to personal profiles including diaries and email. They also need to access company records while on the road.

eWare Wireless facilitates this, and allows users to go further. Not only can they statically view this information, they can also update their diaries, send emails and advance cases through their WAP phones. This information is automatically updated on the central server, allowing company-wide access to current customer information and facilitating the production of dynamically up-to-date reports, no matter where the members of the sales team are.

"The wireless functionality is proving a great asset," said Rory Harte, director of sales at Memorex Telex. "Our sales people love it. That is the first test. We were slightly concerned at first that the well-publicised restrictions of WAP access, such as low-powered processors, less memory, restricted power consumption, smaller screens and non-standard input methods might mean that no-one used it. But that is not proving the case at all. Intelligent searching and scripting means that the amount of input and use of bandwidth is minimal. Every member of our sales team uses it, enjoys using it and finds it useful."

Paschal Naylor added, "eWare Wireless allows our sales team to access the eCRM system back at headquarters for up-to-the-second customer histories, pricing, deal information - in fact, anything they previously had to be in the office to access. We're already reaping the rewards of a faster sales cycle as they can now concentrate one hundred per cent on selling, rather than devoting some of their time to administrative duties."



...and in the end

The project took just three months to complete, from planning the architecture to inputting data to going live. This is substantially faster than normal for the introduction of traditional eCRM systems and is due to its thin-client architecture.

...in summary

"Wireless technology provides the ability to invoke core CRM functionality and processes from your phone. This is critical to the success of wireless eCRM systems. If you just try to make the same level of information that's available on a browser available on a mobile phone you'll never survive. Users are not going to make the five intricate inputs they need to close a sale on a mobile phone. A workflow process means all you have to do is click enter against 'sold', 'dead' or 'qualified'. That's instant and will be instantly adopted."

Memorex Telex was able to combine disparate customer tracking methods rapidly into a single system and use the same technology to give them full access through WAP phones. Thanks to eWare's thin-client architecture this complex project was completed in just three months. Extending the wireless functionality of the system to include self-service facilities, narrowing the gap still further between the wired and wireless worlds, will be the next step.



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From intranets and extranets to everywherenets

By Nicki Hayes, European Correspondent, wirelessdevnet.com

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"It looks like the mobile revolution is here to stay. Everytime you open a magazine or journal or visit a trade show there's something new on the horizon. However, far too often the focus is on the benefits mobile technology can bring to your bank balance in terms of new streams of income. Indeed, many people seem to believe that m-commerce means using a mobile phone to access the internet to exchange money for goods. It actually means any kind of commercial activity. It's more than a cash transaction. It's about exploiting the convergence of internet and wireless technology to streamline the whole enterprise, maximising efficiency by integrating business processes and supply and customer chains. In fact, you don't have to sell anything on the mobile internet to profit from this new mobile age".

This article looks at one such issue - the convergence of mobile technology and Virtual Private Networks (VPNs). We ask a number of VPN and mobile experts what their opinions are on the potential of such a convergence.

Businesses have long been exploiting computer networking technology to facilitate information and resource sharing among geographically diverse offices.

In the past, Wide Area Networks (WANs) have been the model most companies have based such networking on. However, in recent years VPNs have emerged as an alternative model. In fact, VPNs look set to become the standard networking model, according to the IDC, who predict that over 70 per cent of enterprises will have VPNs by 2001.

There are many reasons for the growth in popularity of VPNs, not least of which are cost related. In fact, the VPN route is so much cheaper than the dial-in technology of leased lines that some companies estimate that they save between \$1,000 and \$2,000 dollars per employee per month with a VPN.

Security is another key benefit according to Karl Meyer, EMEA business development manager for UUNET, MCI Worldcom's internet communications company.

He advised that "water-tight security can be assured in a VPN setting. Measures can be taken to secure information at the boundary of an organisation and in transit across the internet. A wide range of such security technologies is now available to protect the company's needs for privacy and access control, while exploiting all the benefits of speed and global reach offered by the internet."

"Encryption products ensure privacy; authentication devices and techniques, such as digital signatures and certificates, prove user identities; and a vast array of firewall products are available to give detailed access control," he continued.

Security, cost, and the obvious coverage benefit aside, internet-based VPNs also offer superior flexibility in respect to access methods, billing schemes, speeds and implementation. One massive advantage in terms of flexible implementation is a VPN's ability to allow the sharing of information between approved suppliers and customers, as well as colleagues, via the inclusion of extranet services.

"An internet-based VPN provides an infrastructure that can be used as the core of a variety of supply-chain solutions that enable secure e-commerce and m-commerce activity across the internet. Supply-chains can be easily managed and both grown and shrunk without major infrastructure issues in a VPN environment.

In the same way, and especially in the business to business area, customer relationship management can also be developed with far better cost factors. It will even become practical to develop high-value content delivery to discrete groups of consumers using similar technology as access speeds rise.

"Such services may be crucial if the best benefits of 'location-sensitive' mobile information are to be delivered in an acceptable form for the user," he explained.

The ability to access VPN-hosted corporate intranets and extranets via mobile devices does indeed open up a brave new world. A world where authorised individuals within an organisation can access corporate information from wherever they are, whenever they need to.

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Forget intranets and extranets. We're talking about 'everywherenets'

Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) applications will drive the evolution of such 'everywherenets' according to Meyer. CRM is about building and using all the knowledge and information you have about your customers into a management information system, whether that knowledge originally came from customer interaction with your call centre, your web site, your sales team or customer care team. Once such a system is set up, this information can be analysed and exploited in many ways, for instance to identify buying patterns and improve the targeting of marketing campaigns. ERP applications integrate with such CRM solutions to provide a sophisticated management information system capable of analysing and reporting on all types of accounting, customer and marketing information.

Meyer advised, "We're just waiting for the combination of applications to come along that will actually deliver the type of intra-business services that will be of value to organisations.

The people who come up with a system that says I can send out my shipping instructions to my fleet of drivers, or my maintenance instructions to my fleet of support engineers over a WAP system, for example, will do wonderfully well.

eWare has done just that with its Wireless CRM solution eWare Wireless. Earlier this year it announced the first worldwide implementation of a wireless CRM system allowing sales staff at the systems integrators Memorex Telex to access and update their customer management system via their mobile phones from wherever they happen to be.

Ivan MacDonald, chief executive officer at eWare advised: "The ability to access VPNs via mobile devices will revolutionise the way organisations manage the information they hold about their customers". UUNET's Meyers agrees and believes that simplicity will be the key to the usefulness of mobile VPN access. "People just want to know the basics, such as price and availability, and this is all you can currently display on today's mobile devices. However, as the next generation of mobile devices evolve we'll break away from the mobile form factor and turn to a tablet sized format, like a Palm Pilot. The phone aspect will probably be a wireless headset through the device so that the tablet can be in your briefcase and as accessible as your mobile phone," he advised.

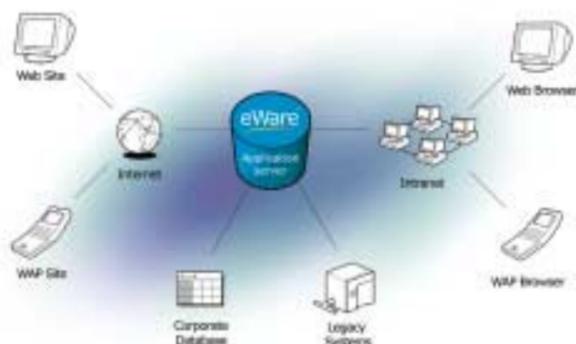
Once you break out of the 'It's got to be mobile phone shape and size' mentality, richer information will start to come down, in the form of rich text, rather than graphics, in a business-to-business environment. If you can get a tablet that allows access to teletext style information the vast majority of people will use that on the move, so long as the level of information and its presentation style are kept simple, Meyers added.

eWare's MacDonald agrees about the need for simplicity, with the emphasis on simplicity of presentation, rather than the level of information. When you see eWare Wireless in action, you realise that the level of information behind that presentation can be quite complex, yet is presented, via a workflow facility, in a simple, easy-to-use interface.

A good scalable back-end architecture is key to such automation. eWare is able to provide this because, contrary to established enterprise level solution vendors' approaches to wireless integration, their approach is truly thin-client. Analysts who are really focussed on CRM in the broad enterprise application space, such as Aberdeen and Gartner, advise that today's emerging highly mobile and distributed human environment cannot be met with the technology that was designed for when we all sat down in the same office all day.

A true thin-client internet application architecture is what is needed.

According to MacDonald, eWare's ability to execute a truly integrated CRM solution within a tight time frame is based on its unique unified architecture and open integration policy. This is what, he claims, will make it the killer wireless eCRM solution of its generation.



ERPs must e-evolve to catch up with CRM

By Ivan MacDonald *CEO, eWare*

As the number of companies offering automated customer services over the web increases, eWare Watch asks "What are the back-office application vendors doing to ensure compatibility with CRM packages?"

ERPs were never meant to be seen by customers. The only contact the general public was ever supposed to have with them was through the intermediary of a call centre representative or a telesales person. But now that everyone is opening up their front-office applications on the internet, they can see that the back office needs revamping too. All the major e-business software players recognise the importance of connecting the two – access to accounts and information on delivery times and possible delays could be vital to some customers – but it's not an easy task.

Back-office applications move slowly because they're big, complicated pieces of software. Migrating a company's entire business process to a new software package can take a long time, a lot of money, and a great deal of retraining, so companies don't do it very often. Web technology is just the opposite. Innovations on the internet come along all the time, and companies must be prepared to take advantage of changes and developments or run the risk of losing their competitive edge.

Integrating back and front to produce a cohesive network is proving to be a struggle, but with more companies crying out for a single solution, the rewards for success are worth it.

Until e-business really took hold, ERP vendors were content to work in the client/server mould where customers or suppliers who had a query could call a staff member for information. But that's not enough anymore. When a customer goes to a web site, they expect to be able to check the price, availability, and lead time on the goods that they see. They expect to be able to order these goods online, and to check the status of that order and their account whenever they choose. If they can't, they'll go somewhere else. Similarly, companies are told that by keeping their back-office applications offline, they could be missing out on suppliers keen to undercut current prices or waiting times. To provide this information, companies must be able to feed up-to-the-second back-office information onto an intranet or a web site, and take the orders from the web site all the way down to the production line without delay. Many companies are looking to the established ERP vendors to provide the solution. These vendors have known for several years that in order to compete online they need a full range of front-office applications to handle sales, automated marketing queries, customer service and other functions. But these applications aren't as easy to come by as they might seem.

The choice facing the ERP vendors is to buy off the peg or tailor their own. In theory the idea of buying a ready-made CRM and bolting it on to an ERP seems like the easy way out, but it hasn't produced the goods in practice.

Because ERP and CRM software come from different worlds, several of the large ERP players have made attempts to acquire CRMs only to find that the technology doesn't work with their own. Take SAP for example. By far the world's largest provider of ERP software, SAP acquired a stake in a sales process automation company in 1997 with the intention of developing its own front-end system. When the technology was found to be incompatible with SAP R/3, the idea was dropped. PeopleSoft and BAAN have had similar problems with their CRM acquisitions. Only Oracle is gaining any ground in the race to take the e-business software prize, because only Oracle has set about trying to design a web-driven combined ERP/CRM solution from the ground up.

Oracle announced the launch of its integrated system in May, earlier than originally intended – it was not supposed to have rolled out until version 12 of its application suite, but due to demand the new system was being included in version 11i. The sales management software provides true end-to-end connectivity for the first time, or so Oracle claims. But the truth is a little less exciting. The new system is available only with the 11i suite, not as a separate module, and it can only work as part of a comprehensive Oracle suite. But at least it's a start and it's this kind of logical leap that is needed to solve the problem, because trying to get a web-driven ordering system to communicate with a LAN-based stock tracking system is not the answer.

But unfortunately this kind of logical leap makes established industries panic about changing their systems again. These companies that invested so much in the change from Vax systems to PC-based networks don't want to make another drastic change, especially if it requires retraining staff, buying new equipment, or buying expensive new software licenses.

But the new, integrated e-business application market has so much to offer businesses, a great deal more than the current fragmented ERP and CRM markets. In the new e-business model, the back-office application of one company will order raw materials for production from the front-office application of another, and customer queries ranging from delivery dates to detailed price and stock quotations will be dealt with by automatically generated e-mails. It's up to the ERP vendors, however, to do the catching up. Companies like eWare already provide comprehensive CRM solutions that are specifically tailored to the web, and

If the ERPs can't find a way to evolve into web enterprise planners, then they'll be left in the back office where they started.

Should my company move its processes onto the web?

Moving your company's business processes from a traditional client/server-based model to a web-based eCRM model is a big step, and you need to know that it's right for before you make the investment. Nick Siragher - Director with leading CRM consultancy The Hewson Group answers some frequently asked questions about migrating your CRM systems to a web-based model:



Q *Suppose I decide to deploy an eCRM strategy. Should I reinvent all my processes at once?*

A If you do, you run the risk of confusing your workforce and alienating your customer base. But the question of how far you should move and how fast is not an easy one to answer. The secret is good planning. By moving into eCRM, you are changing the nature of your business from being product-focussed to being customer-focused, and identifying your customer types is a good way to start.

Begin by mapping each of your customer types onto the processes necessary to maintain or improve your relationship with them, bearing in mind that although there will be some overlap, not all customer types require the same level of care. You must ensure that your staff are fully trained to deal with the new system, and that your customers are comfortable with the change. Staff should be prepared for the number of queries they are bound to receive during the transition period.

Bear in mind, however, that the processes you migrate to the web now are still part of an overall system, even if the rest of that system is not yet in place. Don't treat your initial deployment as a separate system or you defeat the purpose of an integrated eCRM system. Remember that the ultimate aim is to satisfy your customers, not confound them.

Q *What specific advice would you give to companies in the B2B market?*

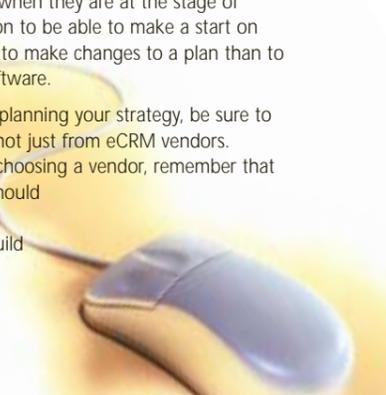
A It's much the same for B2B relationships as for B2C – you need to discuss any potential changes with your key accounts and ensure that they are happy with the shift in the business process. Point out the immediate benefits to them, such as instant access to account details, greater involvement in the sales and marketing process, and more precise information available up to the minute. You will need to provide them with training and have staff on hand at all times to answer queries and iron out any initial snags in the process. Migrate one stage at a time, don't rush into anything.

The major difference between the B2B and B2C spheres is the nature of the existing relationship. Because suppliers have a more detailed two-way relationship with companies, they are more likely to have an EDI system already in place, and it's important to accommodate such existing arrangements in any new solution. Ensure that any new technology you deploy is compatible with current documentation, and that any changes you make to the documentation over time (such as moving from EDI- to XML-based documentation) is agreed by all parties. Although in some ways migrating a B2B eCRM can be complicated, one advantage is that it can be contained within an intranet on a trial basis before going onto the open internet, something that can't be done with a B2C operation.

Q *How long should it take to fully migrate to an eCRM solution?*

A It is impossible to answer this question. However, the longest period should be the planning stage. In most cases where an eCRM implementation is unsuccessful, it is because it has been rushed, with too many processes moved onto the web in a haphazard manner. We always recommend that companies should begin thinking about the implications of an eCRM strategy when they are at the stage of wondering how to get to a position to be able to make a start on strategy. After all, it's much easier to make changes to a plan than to thousands of pounds worth of software.

When making your decisions and planning your strategy, be sure to take advice from several sources, not just from eCRM vendors. And once you reach the stage of choosing a vendor, remember that the ideal eCRM software should mould itself to fit your workflow process needs - you should not need to build your business practices around a software model.



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