

CRM in 2009: personal, social, mobile, adaptable

Making sure that every customer gets the personal touch may be fairly easy for the owner of a neighborhood bakery, but in a mass market of millions, making each customer feel like an individual is a formidable challenge. In the information age, tools like customer relationship management software make it possible for companies to apply a personal touch to the mass market - and that's golden.

By [John K. Higgins](#) 18 Sep 2009

The drive to personalize mass marketing has spawned a big business, and it's getting bigger. Companies spent US\$9.15 billion on CRM software and services in 2008, a 12.5% increase from 2007, Gartner reported in July.

An even more favorable estimate of the global CRM market came from Forrester Research, which pegged it at \$11.7 billion in 2008.

While CRM's rate of growth may cool during 2009, experts foresee the market expanding by more than 5% annually for the next few years.

"Despite financial market volatility, the worldwide CRM market enjoyed its fifth consecutive year of double-digit growth in 2008 as businesses continued to invest in solutions across all subsegments," said Sharon Mertz, a research director at Gartner.

It's not just the ability to reach customers in a more personalized context that is driving CRM, however. The technology also provides the means to conduct almost all marketing functions more efficiently. That provides vendors with a huge potential market. With such a large pie, small slices will still be available to smaller CRM vendors, while a handful of market leaders will compete aggressively in the future.

Growth depends on two factors: First, software and services vendors must ensure they continue to adequately provide the basics of CRM in such areas as order processing, billing, lead generation and managing customer data. Second, CRM providers must adapt their offerings to cultural and technological changes, such as social networking and the increasing use of mobile devices.

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