

## Microsoft to revolutionize CRM

Microsoft is entering the customer relationship management (CRM) market with a product, targeted at small and medium sized companies, due later this year.

It will offer access to tools including sales forecasting, lead and email campaigns management, and the ability to track sales and customer service activities, via Microsoft Outlook and the web.

Microsoft believes that small and medium-sized businesses are ready for a collection of CRM software but not the type of technology that takes several consultants and a lot of time to implement.

### Aimed at smaller companies

Judith Jordan, an analyst at Ovum, said the product would plug a gap in the mid market that enterprise resource planning vendors had failed to address.

Holly Holt, Microsoft senior product manager for CRM, said the market was ripe for picking as only 10 per cent of mid market customers had already implemented a CRM package, with the majority opting for home grown products.

"We have to demonstrate the return on investment (ROI) of this integrated solution. Mid market customers are not interested in having a large IT staff or long implementations. This is easy to deploy, it's easy to use. One of the challenges of successful CRM is getting salespeople to use it," Holt said.

### In partnership with Great Plains

Microsoft CRM will enter testing in late spring, and will ship by year's end, according to the company. No pricing has been announced. The new software will be sold as a standalone product as well as integrated into Great Plains Dynamics, Solomon and eEnterprise software packages.

Microsoft plans to sell and install the software through Great Plains' reselling partner channel, and support will be provided by partners and Great Plains' customer support personnel.

### Competitors

The company said the new CRM technology will not compete with an agreement inherited from Microsoft's Great Plains purchase to resell technology from Siebel. That pact was intended to serve high-end customers with thousands of employees.

Nevertheless, the move is sure to raise the ire of partners such as Onyx and Pivotal, and larger concerns such as Siebel, which has dominated the lucrative niche and built a multibillion-dollar business as a result.