

New Research from SugarCRM Reveals a Customer Relationship Crisis

Struggling to get a clear picture of their customers, 49% of sales leaders in Australia say their CRM is costing them revenue

Cupertino, Calif. - February 19, 2021 - Fuelled by a lack of visibility into customer data, companies are facing a customer relationship crisis. Fifty-two per cent of sales professionals in Australia believe that their CRM systems are unfit for purpose, while customer churn is costing mid-market companies an average of US\$5.5M per year each, according to a new CRM and Sales Impact Report from SugarCRM.

The research reveals that many businesses lack the necessary tools to provide the kind of customer experience that will keep them competitive. Besieged with status quo CRM systems, sales leaders are struggling to ensure their sales teams are spending enough time with the customer and can access the data required to build and maintain these vital relationships. The report surveyed 1,000 sales decision-makers in the US, UK, Germany, and Australia, and found that 49% of Australian sales professionals believe their CRM systems are costing them revenue - demonstrating the extent of the issue.

"Customer behaviour has fundamentally changed and businesses around the world are facing a customer relationship crisis," said Craig Charlton, CEO of SugarCRM. "Sales teams are bogged down with administration and stuck with an inaccurate picture of the customer with little advance notice or insight into customer churn. These findings are a wake-up call for companies relying on the marketing-leading incumbents in CRM with software that is tuned to steady-state and known customer behaviours."

The research found that 53% of sales leaders are fatigued and frustrated with the CRM admin burden placed on their sales teams, which is taking them away from customer-facing activities. Indeed, sales reps are only spending 54% of their time selling. The CRM and Sales Impact Report also revealed over half of sales reps in Australia (52%) reported their customer churn increased in the last 12 months, with 52% of respondents having trouble predicting when customers would churn. And upon reflection, almost half (48%) of those sales professionals reported not knowing why customers churned.

In addition, 50% of Australian sales leaders admit that they cannot access customer data across marketing, sales, and service systems, leaving customer-facing team members without a clear picture of their customers. The gap in customer data, the millions of dollars lost to churn, and the lack of insight, prevents sales and business leaders from acquiring the intelligence they need to make both vital strategic and tactical decisions. Companies that close the data gaps and improve the accuracy and completeness of the customer data, stand to improve retention, increase revenue, and gain more predictable business outcomes.

To download the full CRM and Sales Impact Report from SugarCRM, including regional data for the US, UK, Germany and Australia, visit <https://www.sugarcrm.com/au/hd-cx/content/crm-sales-impact/>.

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