CRM – ERP Integration
Fact or Fiction

August 23, 2001
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Ultra Corporation
Agenda

• CRM-ERP Integration: Fact or Fiction?
• History of CRM/ERP Integration
• CRM/ERP Definition
• CRM-ERP Integration
• Tier I and II vendors Integration Plans
• Summary
CRM-ERP Integration: Fact or Fiction?

- Why is integration needed
- What is CRM – ERP Integration
  - Is it true integration?
- Who are the players?
- What are ERP and CRM vendors doing to integrate ERP and CRM?
- How are the vendors integrating ERP and CRP?
- Who does it best?
History of ERP/CRM Integration

• CRM goes “prime time” – 1996
• Prior to 1999, integration was custom software
• Year 2000 – enter packaged integrated software from ERP vendors
• Year 2001 – ERP vendors extend integration function
CRM Definition – *tracks activities*

- **Front Office Function**
  - Marketing Campaign Management
  - Sales Force Automation
    - Contact Management: Customer Information
    - Sales Opportunity Management: Pricing, Quotes, Inventory Availability
  - Call Center Management
    - Service Calls
    - RMA’s
ERP Definition – *tracks transactions*

- **Back Office Function**
  - Order Processing
    - Customer information
    - Pricing & Quotations
    - Inventory Availability
    - Credit Checking
  - Shipments
  - Returns
    - RMA processing
CRM – ERP Need for Integration

• To optimize Customer Relationship Management, anyone talking to the customer needs a complete and up-to-date view of all customer information: selling information, quotes, sales, shipments, order changes, warranty problems, service information, credit, etc.
Need for integration

• CRM and ERP packages have evolved as separate systems
• Neither system has all the information
• CRM lacks order, shipment, return, inventory information
• ERP lacks selling, marketing information
Integration Touch points

• Static information synchronization
  – Customer, Items, Prices, Configuration rules

• Transaction information synchronization
  – Quotes, Orders, Returns

• Information Availability
  – Item availability, credit check, call history
Tier I ERP Vendor Direction

- SAP
- Oracle
- Peoplesoft
- JD Edwards
- Baan
SAP

• Released first version of CRM 2 years ago
• Developed all CRM function internally
• Master data is replicated and synchronized in both CRM and R/3 (SAP ERP)
SAP – Current Integration

- CRM and R/3 are different products
- R/3 populates CRM master data
- Orders are entered into CRM and automatically passed to R/3
- Master data is automatically synchronized
SAP – Do not have

- Basic integration functionality is there
- CRM functionality lags Siebel and Oracle
Oracle

• Got into CRM 4 years ago
• Currently 2\textsuperscript{nd} in market with $800 M
• Decided in 1996 to build, not buy or partner
• CRM and ERP application developed as one system
• Have bought some pieces
  – Telephony, Configurator, Depot Repair, Spare Parts
Oracle – Current Integration

- One master file serves all needs
  - Non redundant files
- Completely integrated “campaign to cash”
- Purchase pieces have “Oraclized” to use existing files
- Approach allows developers to focus on function development, not integration
Oracle – Do not have

- Mobil Sales and Mobile Configurator are not integrated, requires toggling
- Still playing function catch-up to Siebel
Peoplesoft

• Acquired Vantive in 1999
• Initially used 3rd party middleware for integration.
• Announced CRM 8 on 6/4/2001
  – Rewrote Vantive in PeopleTools
Peoplesoft – Current Integration

• Have designed application databases
  – Limited redundant data is automatically synchronized
  – Messaging system passes data and facilitates data views
• Have complete “campaign to cash” process with transparent integration
• Sales Force and Field Service CRM is available and integrated
Peoplesoft – Do not have

• Mobile SFA function will not be available until Dec 2001
  – Function capabilities not announced
• CRM functionality not at “Siebel” level
JD Edwards

• Announced partnership with Siebel in 1999
• Delivered Version 1.1 in 1999
• Delivered Version 1.5 in Oct 2000
• Delivering Version 2.0 in 2H2001
JD Edwards – Current Integration

- Customer master information
- Item and Pricing
- Orders, Order Changes
- Item availability and credit
- Newest release uses XBI integration tools
JD Edwards – Do not have

• Configuration rules and processing
• Available to promise
• Returns
• Service integration
Baan

• Acquired 3 products: Antalys, Aurum, Bealogic in 97 and 98
• Re wrote products using Baan Tools
• Baan CRM is a separate product with a separate database
Baan – Current Integration

- Master data is automatically synchronized
- Orders and quotes can originate in either system
- Must choose ERP Pricing rules or CRM pricing rules at setup
- Service is in ERP
- Marketing is in CRM
Baan – Do not Have

• Future improvements
  – Stronger integration
  – Marketing function
  – Call center function
## Tier I Vendor Summary

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Tier II Vendor Direction

• QAD
• IFS
• Symix
• Others
IFS

• Bought Vendimo in 1998
• First release was Customer file integration only
• 2001 release included Integrated Contact Center
IFS – Current Integration

• Separate table spaces for master information
• CRM does not handle quotes or order processing
• CRM has view only function into ERP data
IFS – Do Not Have

- Future improvements
  - Stronger electronic storefront function
  - Better service function
- Do not have mobile sales
Others

• QAD
  – Partner with Cameleon for limited SFA and strong configuration tools

• Frontstep (Symix)
  – Have private labeled 3rd party technology and integrated into offering

• Great Plains
  – Partner with Siebel
Summary

• Integration is a requirement

• Vendors are taking different paths
  – Internally develop (Oracle & SAP)
  – Acquire and integrate (PeopleSoft & Baan)
  – Partner and write integration (JDE and Tier II)

• Redundant, synchronized databases are the de facto standard (except Oracle!)