



The

# 2024 2024

State of CRM Report



Insights from more than 800 sales, marketing, service, and IT professionals



## A WORD FROM OUR

# CEO

If you're like most organizations making a large-scale investment in CRM, then you understand it's important to stay focused on what matters most: winning and keeping customers. That's what CRM is all about. If customer relationships are the lifeblood of your business, then CRM optimally implemented can serve as the heartbeat that keeps your entire organization healthy.

CRM has evolved in the last five years, and as our customers tell us, it has reached a critical tipping point as they consider the health and wellness of their customer-facing operations. CRM can work wonders for your business, keeping sales, marketing, and service teams in sync so they can successfully provide those great experiences. Almost 60% of our respondents reported that CRM is more important for achieving sales and marketing goals compared to five years ago. That's a powerful statement on CRM's evolution.

Our 2024 State of CRM Report surveyed more than 800 sales, marketing, service, and IT professionals. Survey responses vary by the specific needs of each user, as well as industry, business size and other factors. Still, they can all agree that CRM can and should be a key driver of collaboration, connection, and growth that makes business successful and meets customer needs.

Here, we provide a range of insights uncovered from our report data, as well as an action plan for companies to follow as they work to get the greatest return from their CRM investment.

**Craig Charlton, CEO**



# 60%

# OF RESPONDENTS

report that CRM is more important for achieving sales and marketing goals than five years ago.

## METHODOLOGY

To get a pulse on the state of CRM in organizations, SugarCRM surveyed 800+ global B2B sales, marketing, service, and IT leaders across various industries from May 15 to July 1, 2023. Our goal was to gain insights on not only how companies have changed their CRM use over the past five years –but also to learn what new CRM priorities are emerging in the months and years ahead. Our respondents represent both SMBs (54%) and large enterprises (46%), and the survey includes 16 detailed questions with multiple response options.

# 1

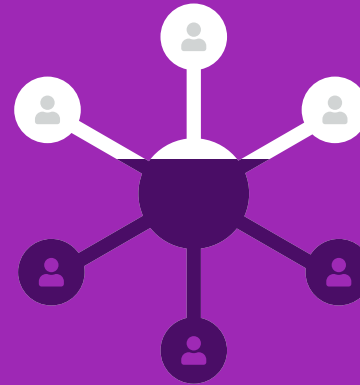
## CRM Is Your Hub for Building Better Customer Relationships

**Six in ten** say utilizing a centralized customer hub is their top priority

The more you know about your prospects and customers, the easier it is for your sales, marketing, and service teams to work together to deliver on your promise of great customer experiences and strong customer relationships. What matters most is how you hone your focus on customer needs to ensure informed, robust interactions that improve the customer experience.

Six in ten of our respondents told us that using CRM as a centralized communication hub for nurturing leads and customers is their top priority today (and three in ten cite it as a major area of struggle). Moving forward over the next five years, 45% (also the top response) say the top priority for maximizing value from CRM will be gaining a complete view of all customer interactions. Working from a single source of truth – where every stakeholder has a clear view of all customer-facing activity – your teams can craft the most relevant engagement to move customers down their journey with your brand.

## REPORT HIGHLIGHTS



**60%**

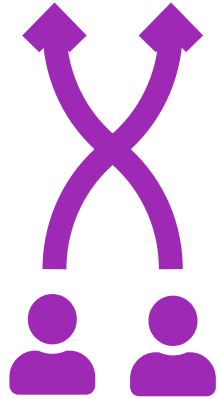
Cite using CRM as a centralized communication hub for nurturing leads or customers as their top priority  
(#1 response)

**45%**

Cite getting a complete view of customer interactions as the top priority for maximizing CRM over the next five years  
(#1 response)

**33%**

Cite customer service and upsell/cross-sell opportunities as the part of the buyer journey they focus on most  
(#1 response)



### EXISTING CUSTOMER BASE MATTERS

One in three of our respondents report that the most important parts of the customer journey (over the last five years) are customer service and creating upsell/cross-sell opportunities. Once customers have bought into your product ecosystem, your ability to provide incisive, world-class service can help build “stickiness” and drive a deeper ongoing footprint with your brand. CRM is that central hub that connects your priorities today with those of tomorrow.

**46%** cite  
**MARKETING  
AUTOMATION  
AND EMAIL  
MARKETING**  
as the top technology integrated with CRM

**1 IN 3** say a key priority is  
**COLLECTING  
CUSTOMER  
FEEDBACK**  
to align marketing and sales strategy

# TOP TIPS

## Make Your CRM a Centralized Hub and Single Source of Truth

- 1 Use your centralized CRM installation to evaluate every key touchpoint along the customer journey (from marketing and sales to service and upsell), generate data-driven insights for a deeper picture of customer relationships, and create a consistent cadence of personalized engagement activities.
- 2 Build a 360-degree view of customer activity that every stakeholder in your organization can access, with everyone working from the same playbook, and be sure that data is continually updated (and visualized) in real-time.
- 3 Work to ensure efficient business alignment across sales and marketing teams, defining and documenting a seamless handoff process and creating shared KPIs that can move the needle on customer experience, such as retention rates, customer acquisition cost (CAC), customer lifetime value (CLV), monthly recurring revenue (MRR), and Net Promoter Score (NPS).
- 4 Trust only a fully account-based CRM data architecture that ensures every contact and every account is connected, providing you with a single, reliable source of truth.



# 2

## Use Your CRM to Help You Master Sales Automation

**Most respondents** want to improve the quality, quantity, and visibility of leads

Any salesperson will tell you how important it is to their job to pull in high-quality leads (and lots of them) and to attain and maintain a healthy, robust pipeline. Our survey results concur. When asked about the most important areas of sales and marketing that CRM has helped optimize, the top three answers were pipeline visibility (37%), quality of leads (35%), and quantity of leads (31%).

For account reps, nothing could be more vital than understanding who their top leads are and what it takes to move them down the pipeline to close. Taking a centralized, data-driven approach to tracking opportunities creates a more dynamic and productive sales process. And for sales managers, pipeline visibility is also critical for tracking team performance, forecasting, and reporting to management. Revenue growth was also cited as the fourth most important optimization criteria, just another reminder of how important CRM is to the strategic well-being of the sales, marketing, and service organizations.

# REPORT HIGHLIGHTS

Top areas CRM has helped to optimize for the customer journey:

37%

Pipeline  
Visibility

35%

Quality  
of Leads

31%

Quantity  
of Leads



Moreover, forecasting and pipeline insights were cited as the second most important CRM-related activity (at 43%, behind only a centralized lead hub), and capturing intent data and lead scoring was third at 41%. CRM is increasingly used as an intelligent tool to accurately predict future sales activity and gain key insights on prospects and existing customers.

All of these tactical “nuts and bolts” of day-to-day sales activity are essential for quota attainment and sales team resilience, and they are just the sort of things in which the right CRM platform excels.

The most important

# CRM-BASED ACTIVITIES

for organizations:



**43%**

Forecasting and Pipeline Visibility



**41%**

Intent Data/Lead Scoring

# TOP TIPS

## Make Sales Easier, Faster, and Smarter

- 1 Track opportunities seamlessly through every stage of the sales cycle, providing complete visibility to remove roadblocks and eliminate blind spots.
- 2 Use enhanced forecasting tools to examine pipeline aging, movement in and out of the pipeline, what's likely to close, opportunities that need attention, and month-over-month or year-over-year sales metrics.
- 3 Avoid "death by a thousand windows." Rely on a single tab to see all your customer information in one place (without having to open up new tabs or windows) and take action, work right inside reports, and configure dashboards on the fly easily and quickly.
- 4 Don't forget the importance of a great mobile interface that's easy to configure and can make life much easier for reps, especially in the field before and after customer visits.





# 3

### **Analytics and AI Are Critical for Maximizing CRM Value**

Integrated analytics and AI are key tools for tracking customer intent

Second only to “marketing automation” in our survey, the top technology that companies have integrated with their CRM over the last five years is analytics and measurement dashboards, at 35%. Analytics are becoming one of the most important complementary fields to CRM, allowing sales and marketing teams to make better predictions based on intent data, target the best opportunities, and spend their time more intelligently on outreach and relationship-building.

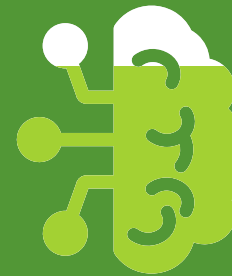
And now companies no longer need to rely on separate business intelligence (BI) tools to talk to their CRM. Now it’s all embedded in the CRM platform, with analytical capabilities available at your fingertips without having to enlist the services of a data scientist. Sales teams that can quickly evaluate opportunities based on data are better positioned to maintain a healthy pipeline.

## REPORT HIGHLIGHTS



# 41%

Say capturing intent data and/or lead scoring is a higher priority today than five years ago



# 80%

Will turn to AI to maximize the value of their CRM platform over the next five years



AI is an important part of this story as well. When asked their top priorities for maximizing value of their CRM platform over the next five years, the number two response was using AI, behind only “complete view of customer interactions.” The next generation of generative AI is proving to be a key driver of personalized engagement, content creation, and more customer-centric decision making.



The second most popular technology to integrate with CRM today is

# ANALYTICS AND MEASUREMENT DASHBOARDS

behind only marketing automation

# TOP TIPS

## Be Sure AI and Advanced Analytics Are Embedded in Your CRM Strategy

- 1 Don't overthink your AI strategy. AI capabilities are now available pre-packaged and delivered out of the box, with all of the difficult AI modeling challenges and pre-baked AI questions solved for you.
- 2 Leverage generative AI to create more personalized and impactful customer engagement, campaigns, and programs.
- 3 Add AI to power your sales forecasting processes, including predicting likeliness to close and pipeline aging.
- 4 Supercharge your analytics to help turn data into insights, and insights into better customer experiences.



# 4

## It's Time to Make CRM Easier

“Customizable” and “easy to use” describe the ideal CRM platform

No matter how much you invest in CRM to make your sales teams' day-to-day more productive, you'll never realize its immense benefits if no one buys into your vision and actually uses it to its fullest potential. That's why it's so critical that your CRM be easy to set up, easy to configure, and easy to use – call it more “accessible” to your everyday users. Respondents concur; the top terms to describe the SugarCRM platform were customizable (56%) and easy to use (46%).

# REPORT HIGHLIGHTS

The most prominent CRM challenges faced:

41%

Technology Integration

40%

Platform Feature Limitations

37%

Internal Knowledge and Skills



The easier your CRM system is to configure to every individual's needs, and the easier it is to master the app, (whether it's checking opportunity particulars on mobile, drilling down on pipeline status, or just updating account details), the better and faster ROI you'll see. And the more seamlessly you can connect CRM to existing systems, the less risk and fewer roadblocks your IT teams will see. "Easy" is the fastest path to a vibrant, widely adopted, and successful CRM implementation.

# CUSTOMIZABLE AND **EASY TO USE**

are the terms that best describe the SugarCRM platform.



Cite using CRM as a centralized communication hub for nurturing leads customers as their top priority



See this as a major challenge

# TOP TIPS

## Increase CRM Adoption with Customizable, User-Friendly Options

- 1 Look for simple drag-and-drop workflow automation in your CRM platform to accelerate deployment, improve user adoption, and lower business risk.
- 2 Make it easier for everyday users to customize the app to their personal needs (without the help of your developers) and adapt to changing market or organizational requirements over time.
- 3 When it comes to implementation and service, you'll want to be sure your CRM vendor and its partners are engaged with your team from day one, all collaborating to provide a can-do, long-term experience.



# REPORT HIGHLIGHTS

## WHICH CRM-BASED MARKETING AND SALES ACTIVITIES IS YOUR ORGANIZATION PRIORITIZING TODAY THAT IT WAS NOT FIVE YEARS AGO?

Using CRM as a centralized communications hub for nurturing leads or customers	60%
Forecasting and pipeline insights	43%
Capturing “intent data” and/or lead scoring	41%

## WHAT PART OF THE BUYING JOURNEY HAVE YOU FOCUSED ON MOST WITH CRM OVER THE LAST FIVE YEARS?

Customer service/upsell or cross-sell	33%
Mid-funnel lead gen/nurturing	32%
Early-stage awareness	21%
Low-funnel active sales efforts	14%

## WHICH OTHER MARKETING AND SALES TECHNOLOGIES HAVE YOU SINCE INTEGRATED WITH YOUR CRM?

Marketing automation or email marketing	46%
Analytics or measurement dashboard platforms	35%
Account based marketing tools	12%

## WHAT NEW AREAS THAT CRM HAS HELPED TO OPTIMIZE THE CUSTOMER JOURNEY?

Pipeline visibility	37%
Quality of leads	35%
Quantity of leads	31%
Revenue growth	24%

## HOW DO YOU VIEW THE IMPORTANCE OF CRM FOR ACHIEVING SALES AND MARKETING GOALS VS. FIVE YEARS AGO?

More important	57%
Same	33%
Less	9%

## WHAT ARE THE MOST PROMINENT CRM CHALLENGES YOUR ORGANIZATION FACES?

Platform feature limitations	41%
Technology integration	41%
Internal knowledge/skills	37%
Technology adoption	34%

## OVER THE NEXT FIVE YEARS, WHAT IS THE TOP PRIORITY FOR MAXIMIZING THE VALUE OF YOUR CRM?

Complete view of all customer interactions	45%
Leveraging AI	30%
Targeted or personalized content across channels	14%

## THINKING ABOUT SUGARCRM, WHICH OF THE FOLLOWING BEST DESCRIBES THE PLATFORM?

Customizable	56%
Easy to use	46%
Flexible	38%
Easy to onboard	27%

## Flex Your CRM Muscle to Keep Your Organizational Heartbeat Strong

It's a telling statistic that 60% of respondents view CRM as more important for achieving sales and marketing goals than five years ago. When it comes to winning customers and keeping them loyal to your brand, CRM is increasingly crucial for organizational health. Consider these key takeaways from our report:

- 1 The basics matter: CRM success ultimately hinges on your ability to automate and master sales fundamentals like cultivating the right leads, keeping pipelines healthy, and nurturing strong customer relationships.
- 2 CRM is the catalyst for knowing your customers better: If your CRM can't give you a true 360-degree view of every customer – and insights on how to engage them – it may be time to rethink your approach and your platform.
- 3 Be picky! In the end, your CRM must be easy to use, easily adaptable to changing business needs, and accessible enough to keep your everyday users focused and energized throughout the sales cycle.

So, remember to exercise your CRM muscles properly to maintain a strong organizational heartbeat and stay agile as you navigate changing dynamics and buyer behaviors in your business world.





# Why SugarCRM

SugarCRM helps marketing, sales, and service teams finally get a complete picture of each customer's journey, without all the headaches and hassles that come with traditional CRMs. Automate anything, accelerate Everything, and anticipate what's next.

LEARN MORE

## About SugarCRM

SugarCRM is a CRM software that helps marketing, sales, and service teams reach peak efficiency through better automation, data, and intelligence so they can achieve a real-time, reliable view of each customer. Sugar's platform provides leading technology in the sales automation, marketing automation, and customer service fields with one goal in mind: to make the hard things easier. Thousands of companies in over 120 countries rely on Sugar by letting the platform do the work. Headquartered in the San Francisco Bay Area, Sugar is backed by Accel-KKR.

For more information visit [www.login-software.net](http://www.login-software.net)



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