NUCLEUS RESEARCH

ZOHO LOOKS TO DRIVE CRM ADOPTION WITH CANVAS FOR ZOHO CRM

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THE BOTTOM LINE

The biggest factor that limits the success of CRM deployments is inadequate user adoption resulting in incomplete data within the system. The most natural way to combat this is to design an intuitive and easy-to-use solution, so users don't feel friction and easily see the value in adopting the tool into their daily workflows. Since there can be no one-size-fits-all solution for businesses, Zoho created Canvas, a design studio within Zoho CRM that allows users to redesign the visual interface of Zoho CRM to suit each customers' unique business requirements. We see the value in this approach and anticipate that Canvas for Zoho CRM can provide the following key benefits: increased CRM adoption, cost savings from avoided third-party consultants and developers, and decreased sales attrition from a more user-friendly and value-add CRM solution.

THE SITUATION

By now, CRM solutions have become virtually ubiquitous across organizations ranging from single-office brick-and-mortar and online-only small businesses to the largest global enterprises. With that, the benefits to sales productivity, forecasting accuracy, and overall performance have been well-documented, however so too have the shortcomings associated with difficulties driving critical adoption, training users while still accounting for expected turnover and regular solution updates, and navigating interfaces that are not optimized for the business model, industry, or sales tactics.

In our research at Nucleus, we've identified the two primary causes of failure of CRM deployments: cost overruns and late delivery due to extensive customization/use of consulting to retrofit the solution to fit the unique aspects of the customer's business and failure to gain significant adoption due to the system being difficult-to-use or adding additional work to user experience without delivering additional value. The result is a CRM system with incomplete data due to the limited adoption that provides little-to-no value for decision making, plus the lost productivity for sales teams and managers due to the disorganization associated with limited or no CRM adoption.

Zoho looks to solve this age-old problem of CRM adoption by offering a native design studio within Zoho CRM called Canvas that allows customers to redesign the visual interface to suit their business' unique requirements. By offering a completely customizable experience, customers can create an interface that contains all the relevant information, links, and content in a single view for CRM users to ensure the solution is delivering maximal value, thus incentivizing adoption. While most other CRM solutions are customizable to some extent, it typically involves leveraging a third-party development or professional services provider, bringing the common problem of cost and time overruns into play, as described above.

Canvas is unique in the CRM space currently in that it leverages a no-code, drag-and-drop interface that is easy-to-use, quick to implement, and encourages regular iteration and exploration. It doesn't require specialized design or front-end development expertise so that customers can manage CRM redesign efforts entirely in-house. Canvas views can be created within minutes or hours, complementing the track record Zoho CRM has for rapid deployments and ensuring customers don't get bogged down on months-long design initiatives or CRM rollouts.

CANVAS FOR ZOHO CRM

CRM systems have become significantly more complex than a simple source of records and contact tracking tools; however, technological capability has far surpassed UX in terms of sophistication and customization. The majority of all CRM tools have a similar look-and-feel regardless of the vendor, and many will offer "customization" in the way of adding or renaming fields and modifying button layout or components to dashboards. Still, more advanced customizations typically require extensive third-party involvement and the associated time for the development/testing process.

Canvas is modernizing the paradigm by enabling customization, and design features like those users expect from a consumer application, but without the extensive development, testing, and integration involved with a traditional build. Some key capabilities and features of Canvas include:

- Beyond simply changing field names and adding rows to tables, Canvas allows users to fully customize the UI and workflow of their Zoho CRM instance to fit the industry, business model, or unique preferences of the sales organization. The no-code interface allows users to build and tweak every component with only clicks. Users can add images, external links, and charts to custom views, centralizing the information sales reps need for their unique workflows rather than requiring them to toggle between pages on a traditional CRM experience.

- Users create "Canvas View" from any traditional list or page in Zoho CRM. In the Canvas View, the user can find all necessary fields and related lists and buttons on the left side of the editor mode. This ensures no information or context is lost in designing the layout – the underlying data remains the same, the user is only modifying the presentation.

- Pre-built templates for industry-specific and commonly used views, with new pre-built content, are added in each update. The pre-built content with the no-code interface allows the CRM to be nimble and modified to fit the business, rather than requiring users to change their tasks and workflows to fit the CRM system.

BENEFITS TO CUSTOMERS

In the long term, we see Canvas presenting a potential solution or mitigator to the two main factors driving CRM project failure – cost/time overruns from extensive customization and limited adoption compromising the completeness and integrity of CRM data, hamstringing total project ROI – by offering an alternative to high-cost third-party developers and

allowing customers to spur adoption by making CRM systems an easy-to-use, value-add experience in daily workflow.

In the short term, Nucleus has identified the following primary benefit areas where we expect Canvas to deliver immediate value to customers: increased CRM adoption, cost savings from avoided third party system integrators and consultants, and decreased sales attrition.

- **CRM Adoption.** The most significant benefit Canvas enables is increased CRM adoption. A system with greater adoption will have more, better quality sales/customer data, and leadership will have more accurate, granular visibility into business activities. This will translate to all the outcomes of successful CRM deployments scaled up – increased sales, increased pipeline accuracy/visibility, and time savings from salespeople who can eliminate or modify unnecessarily time-consuming tasks within the CRM.
- **Cost savings from avoided third-party SI/consultants.** Typically customizing a CRM deployment is an expensive and time-consuming endeavor; in published case studies over the past five years, we found that consulting/SI costs typically make up between 30 and 60 percent of the total deployment cost. Using Canvas drastically reduces the need for third-party involvement and dramatically reduces the time needed to deploy a customized interface to end-users at the company.
- **Decreased sales attrition.** Increasingly, the quality of the sales tools available for use is leveraged as a key differentiator by prospective employees when evaluating employers. Having a user-friendly interface optimized for the business will dramatically reduce friction for salespeople using the systems and thus impact corporate attrition rates. Even slight improvements to retention translate to massive bottom-line benefits from avoided onboarding and hiring costs, so this looks to be a key aspect to the Zoho Canvas value proposition.

LOOKING AHEAD

The most successful consumer apps are characterized by their ease-of-use, integration with common "workflows" like messaging and shopping platforms, and high (almost compulsive) adoption. With Canvas, Zoho is looking to deliver consumer app-like experiences to business applications (now Zoho CRM, but in the future the potential to expand across the CX portfolio) and offering customers an unprecedented level of control over the look-and-feel and user experience of their Zoho CRM instances. In the greater market, this hasn't yet been seen, and with this investment, we see Zoho looking to differentiate itself on user

experience and ease-of-use versus other key CRM providers, just as it has always prioritized user experience and ease-of-use (and deployment) over everything else.

Zoho is also relatively unique in that it doesn't generate a significant percentage of profits from professional services agreements associated with deploying, supporting, and updating customer instances, so it has no incentive to complicate platform customization, and releasing this tool won't harm the bottom line. For this reason, despite Canvas being differentiated where we would typically expect vendors to race to catch up and bring a comparable offering to market, we do not anticipate seeing competing no-code CRM design tools at the same level of sophistication in the immediate future.