SUGARCRM ANNOUNCES HINT

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THE BOTTOM LINE

On June 27, SugarCRM announced the release of Hint, its first organic relationship intelligence product. Designed to provide sales people with all the customer contact and social network information they need and quickly pull it into a CRM record, Hint accelerates call preparation time. In a survey of sales people, Nucleus found that Hint could save an average of 17 minutes per lead, delivering payback in less than a month based on just two calls.

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OVERVIEW

On June 27, 2017, SugarCRM announced the release of SugarCRM Hint as the first product in its Relationship Intelligence line. With Hint, sales people can input a few basic customer details, such as name, e-mail, and company, and with one click, Hint automatically searches for, sifts through, and populates a range of customer information from the Web, including personal and company information. All hints are represented in a side-panel view and users can click and drag the information they want included in their customer relationship management (CRM) platform directly into the customer record.

SugarCRM has list price of $15 per user per month and is compatible with Sugar 7.8 or later.
WHY IT MATTERS

Many vendors and ecosystem partners have made investments to make social network, Web, and other data more accessible to sales people when they need them. The advantage of Sugar’s approach is the ability to select specific data and quickly pull it into the CRM account profile in the context of a particular opportunity a sales person is working on. This enables sales people to spend less time on the administrative work of searching the Web for contact details, sorting through relevant information and checking it for accuracy, and entering this information in their CRM software. Hint finds and refines customer information, performing work that sales people would otherwise spend a significant amount of time doing themselves – and shortening the time it takes for them to prepare for the next call or meeting.

Once they’ve initially used Hint, users have a more complete customer profile which includes additional contact information, company information, links to social media, and a log of the customer’s activity in CRM. Users can quickly create a new customer profile and Web details can be automatically refreshed as they change, so the record can be easily kept up to date.

POTENTIAL VALUE

SugarCRM’s Hint can significantly increase sales people’s productivity. By decreasing the time they spend on administrative work, Hint allows sales team members to focus on substantive research and make the calls that build business relationships and drive closings.

To better understand the potential value for SugarCRM sales users, Nucleus surveyed 27 sales people and reviewed CRM case studies of sales force automation (SFA) users from the past two years. The time spent preparing for calls obviously varied based on the role of sales person, familiarity with the account, complexity of the sale, and many other factors. On average, Nucleus found that a sales person spends 17 minutes researching a lead to prepare for a call without capabilities such as Hint – with a low of 5 minutes of preparation and a high of 30 minutes.

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To simplify understanding the break-even point for Hint, we assumed an average fully loaded cost of a sales person of $80,000 – meaning every 17 minutes spent on research costs the company $10.90 – let’s call it $11. At $15 a month, Hint more than pays for itself if a sales person can reduce or eliminate most of that prep time on two calls.

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While this number is likely to be conservative given many sales roles and compensation levels, this puts Sugar at a very attractive price point (given Sugar’s list CRM price of roughly $70 a user a month). This is even more attractive when compared to software that offers a similar link to information outside of CRM but at a much higher cost, such as Microsoft’s Dynamics 365 with LinkedIn Sales Navigator, which goes for $135 per user per month.

As a tool that exists outside of CRM and is an easy addition to SugarCRM, Hint functions to quickly bring relevant information into CRM. Hint is SugarCRM’s first purely cloud-based software as a service (SaaS) and is a perfect example of cloud technology bringing outside source economies of scale to benefit CRM. Although Hint is only available for SugarCRM users today, it could be marketed as a standalone cloud service in the future.

LOOKING AHEAD

This is a major step forward for Sugar beyond its initial TrustSphere partnership in providing real insights to sales people that they can use to accelerate the beginning of a sales cycle. The broader productivity impacts of adoption will hit ongoing sales nurturing as well. We fully expect that Sugar will continue to expand the capabilities of Hint to include both internal and external activity insights and more granular data and recommendations.

This is great news for Sugar customers, as they can take advantage of Hint today to drive greater productivity and faster time to convert a contact or potential lead to a qualified one.

This is great news for other CRM customers as well, that should be looking for how well integrated and intuitive to use any organic or third-party social data enrichment capabilities may be. As vendors invest more in such integration, third-party
solutions will be increasingly challenged to command a separate subscription investment.

As SugarCRM’s Hint challenges others to bring similar insights into their CRM software, or at least to articulate more clearly to users how their social selling capabilities work in real life, we expect customers to demand clearer head-to-head comparisons on what competing products can offer.