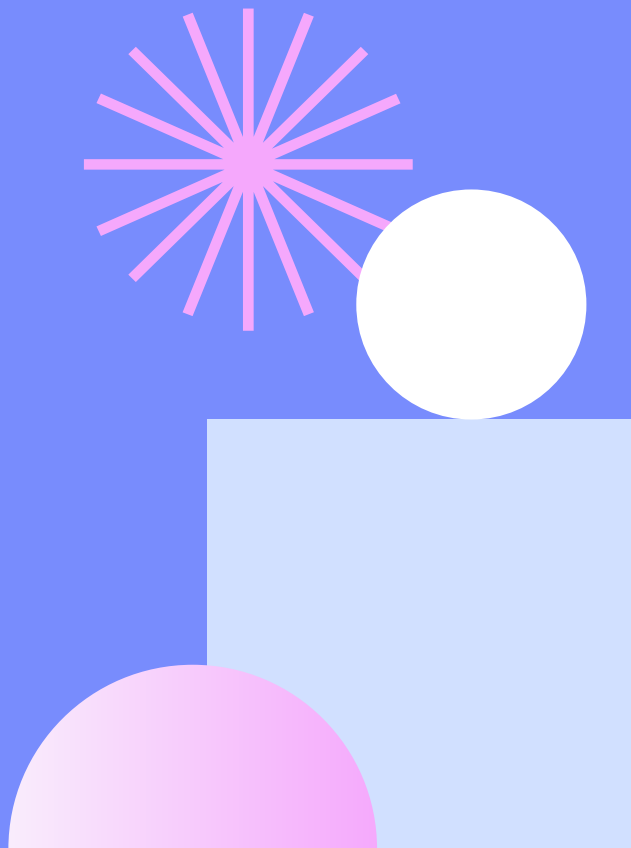


2021 State of CRM reporting survey

You're not alone: SMB owners struggle with broken data and analytics processes, face weak spots in business forecasting

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More than a year after the pandemic began, many small- and medium-sized businesses (SMBs) are still struggling to grasp exactly how they fared in 2020—and how they'll come out of 2021—amidst an uncertain economic landscape.


It's more important than ever for SMBs to have complete confidence in their understanding of the health of their businesses, through comprehensive and reliable data reporting.

But do they?

In this report, we take a look at how and why so many SMB professionals across industries use multiple data reporting tools to cobble together the story behind

their business' wellbeing. But the stark reality is that most companies simply don't rely on a single source of truth for their business reporting—including their customer relationship management (CRM) system. Nor do they have a whole lot of confidence in the numbers they are receiving. It's a struggle shared by companies big and small, and from what our survey tells us, **there is no "holy grail."**



An abstract graphic on a light blue background. It features three overlapping squares with white outlines. The top-left square is partially covered by a middle square, which is in turn partially covered by a bottom-right square. A horizontal bar with a purple-to-pink gradient is positioned behind the middle square.

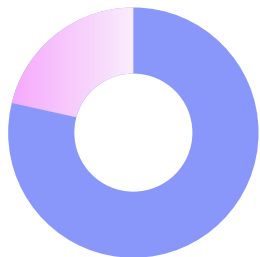
The SMB struggle: uncertainty and opaque reporting

The pandemic served up either flat-out extinction or a devastating (but survivable) punch to the gut for some SMBs. And other businesses displayed the resilience, adaptability and proactiveness (plus a sprinkle of good luck) needed to manage the impact of the crisis. Either way, we're nearing the end of one of the most stressful periods of our lifetime.

In the first few months of the 2020 lockdown, [three out of four \(77%\) SMB leaders](#) agreed with the statement:

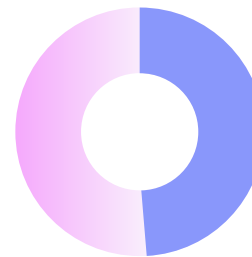
“Dealing with the pandemic has been the most difficult challenge my business has faced.”

More than a year later, the [data reveals](#) a business landscape that continues to feel negative impacts from pandemic fallout;



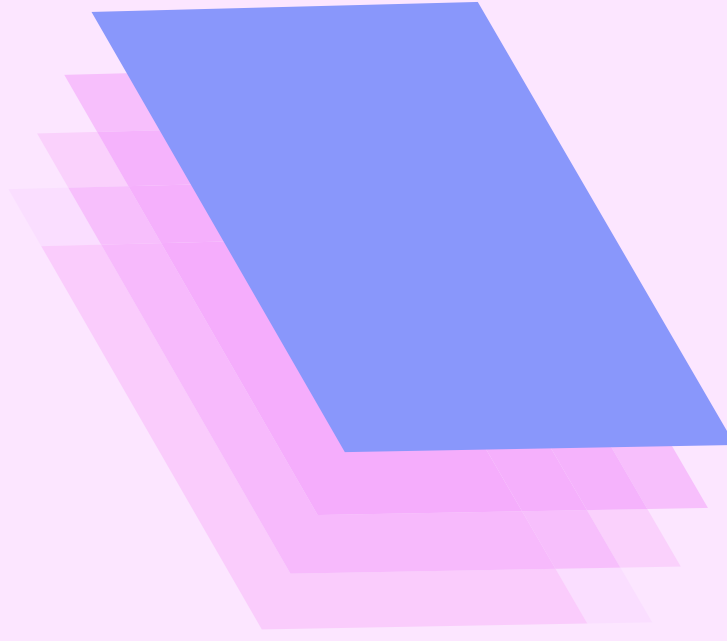
22%

of SMBs in US were closed in Feb. 2021 (up from 14% in Oct. 2020)



51%

reported decline in sales for Jan. 2021 compared to Jan. 2020



Still, despite all the volatility and upheaval, some businesses have managed to thrive.

Take consulting firm [Perficient](#), which advises businesses around the world on growth and development. The firm shifted the ways they were helping businesses, turning their sights on solving some of the immediate challenges their clients were facing during the pandemic, from “managing e-commerce supply chains to online customer experience,” including helping the 30% of its client base in healthcare manage revenue dips due to a pause in elective surgeries. Though Perficient was already doing digital consulting, helping companies improve their digital infrastructure became its primary focus—contributing to the firm’s [42% revenue growth](#) in Q1 2021.

But even as businesses adapt to the “new normal,” with more digital-first approaches (55% of growing SMBs now say technology drives their customer interactions), it’s clear that many companies still haven’t quite wrapped their heads around how to gauge and monitor the health of their business, overall.

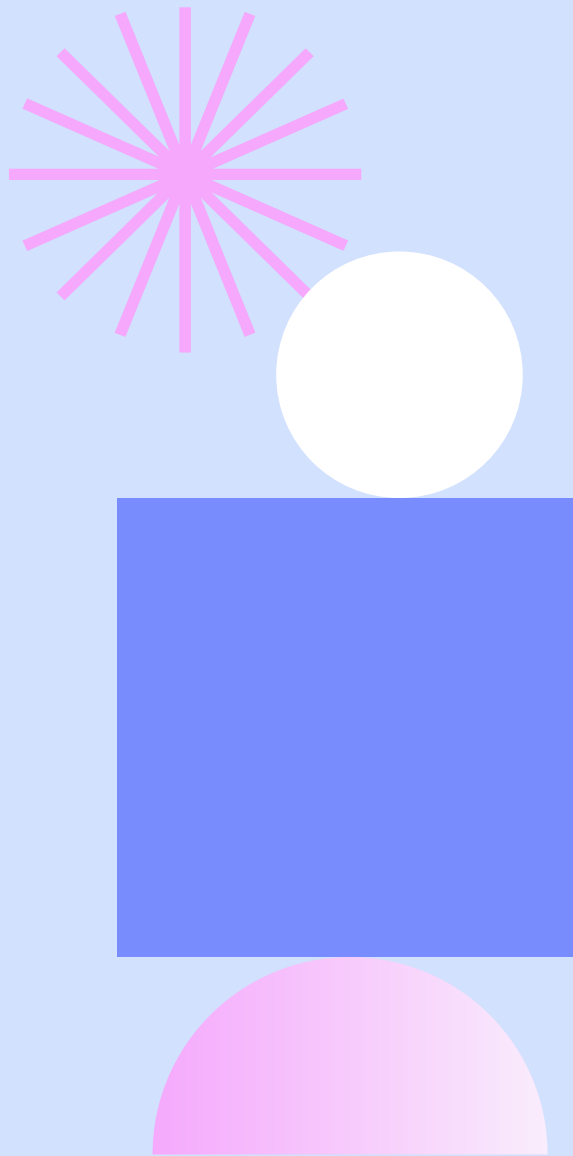
When business owners do turn to data reporting solutions—including reports generated from their CRM platforms—they’re either pulling a shaky narrative together with a handful of different analytics tools, or foregoing CRM software entirely.

Some of the reasons why may ring a few bells:

I already have my own system in place

I still don’t quite understand the capabilities of these tools

I don’t know how to do reporting any other way



The data points to significant gaps in business professionals' reporting processes—and shows plenty of room for improvement. **Key findings from the survey include:**

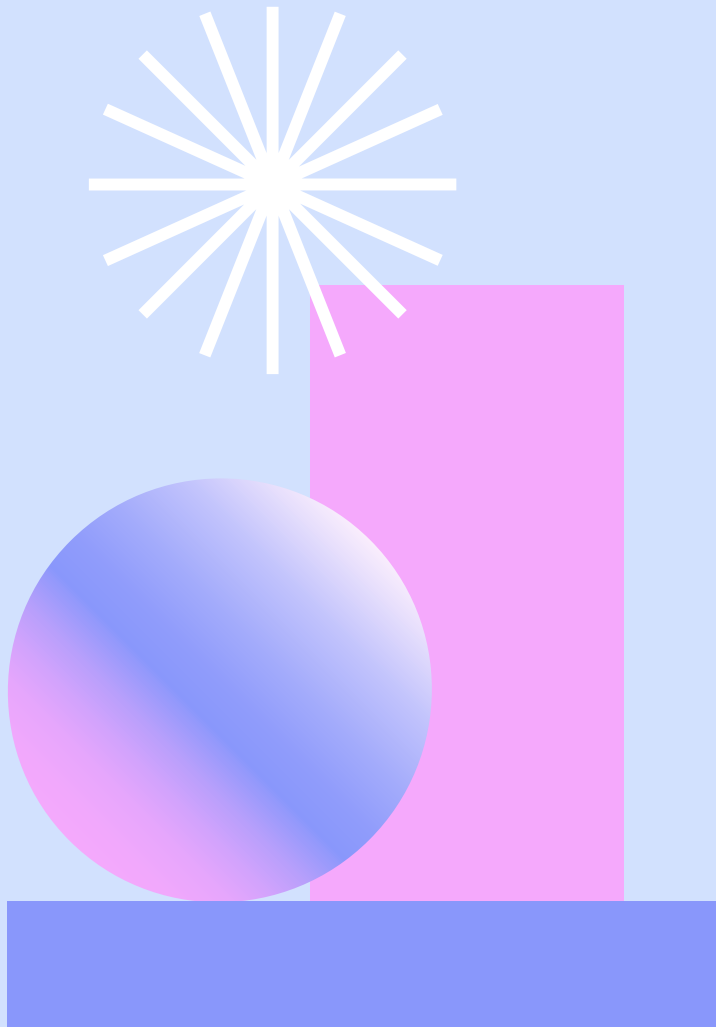
Many SMB professionals still don't have a reliable source of truth for data analytics, highlighting a cumbersome approach toward reporting:

50%

of SMBs used 4+ reporting tools or couldn't keep track of how many

45%

of SMBs using CRMs used 4 or more reporting tools

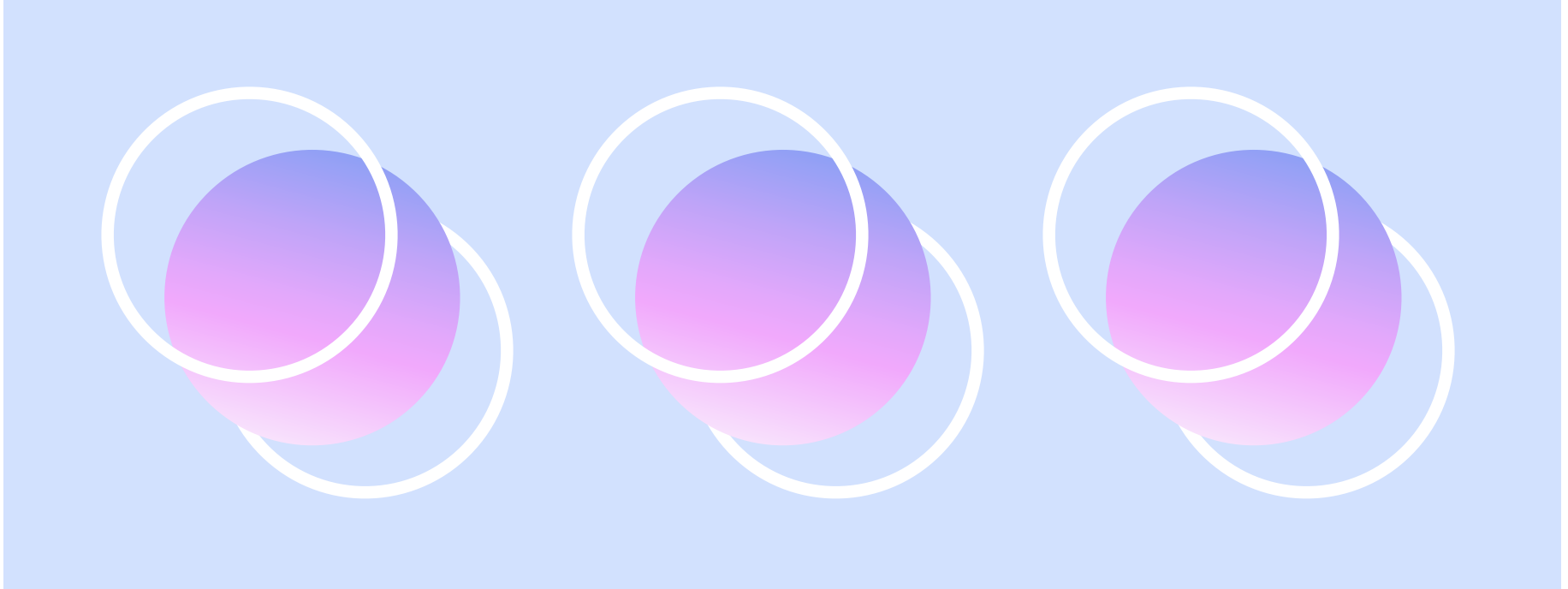


A sizable number (51%) of SMBs using a CRM said they only “somewhat agree” that the information stored in the tool allows them to understand their business’s health—suggesting serious pain points with the software.

53%

of CRM users export data and create and manage reports in a separate tool

Chalk it up to the power of incumbent software: established yet burdensome tools like Excel remain hugely popular when it comes to reporting. Old habits die hard.



Clearly, there's no shortage of challenges around data analytics and reporting.

But with many companies' CRM systems holding a treasure-trove of data related to lead generation, and customer acquisition and retention, it seems logical that drawing insights from that data would be one of the first steps for SMB reporting. After all, if a CRM is being used

consistently across teams, it can offer extremely useful visibility into different stages of the customer journey. So we were curious to learn about business owners' thoughts on using their CRM to report on the health of their business.

Let's dive deeper into the results of our survey for a better understanding of where there's room for growth.

CRM hits & misses

- 53% of SMBs don't even use a CRM
- CRM respondents used included Salesforce, Pipedrive, Hubspot and Copper

With 49% of respondents coming from organizations with over 100 employees, this tells us that an entire segment of SMB owners with relatively large headcounts—and presumably complex sales and

marketing activities—are operating without a commensurate CRM system to help them organize and track large amounts of data.

But get this: Respondents on average felt they had a fairly clear picture of the health of their business.

We can't help but wonder, **If SMBs aren't using a CRM to accurately track how their companies are performing, with sizable sales and marketing teams, how can they really know?**

The SMB status quo: just getting by?

As we already mentioned, many SMBs are using a handful of different tools (or so many tools they can't even count) to report on their business health. Only a very small number (6%) use just one tool for this purpose. The vast majority (87%) of respondents still rely heavily on cumbersome, manual spreadsheet software when exporting data and creating or managing reports in non-CRM tools.

And the main system individuals are using outside of CRM for reporting was... you

guessed it: Excel! **54% of individuals still rely on Excel for help tracking business health**, testament to the continued ubiquity of the Microsoft product—despite the inconvenience of the extra steps, manual input and spreadsheet burnout.


In short, many SMBs appear to be patching together ad hoc systems using familiar tools that seem to get the job done adequately. But are these businesses ready for growth?

Underestimating the power of CRMs

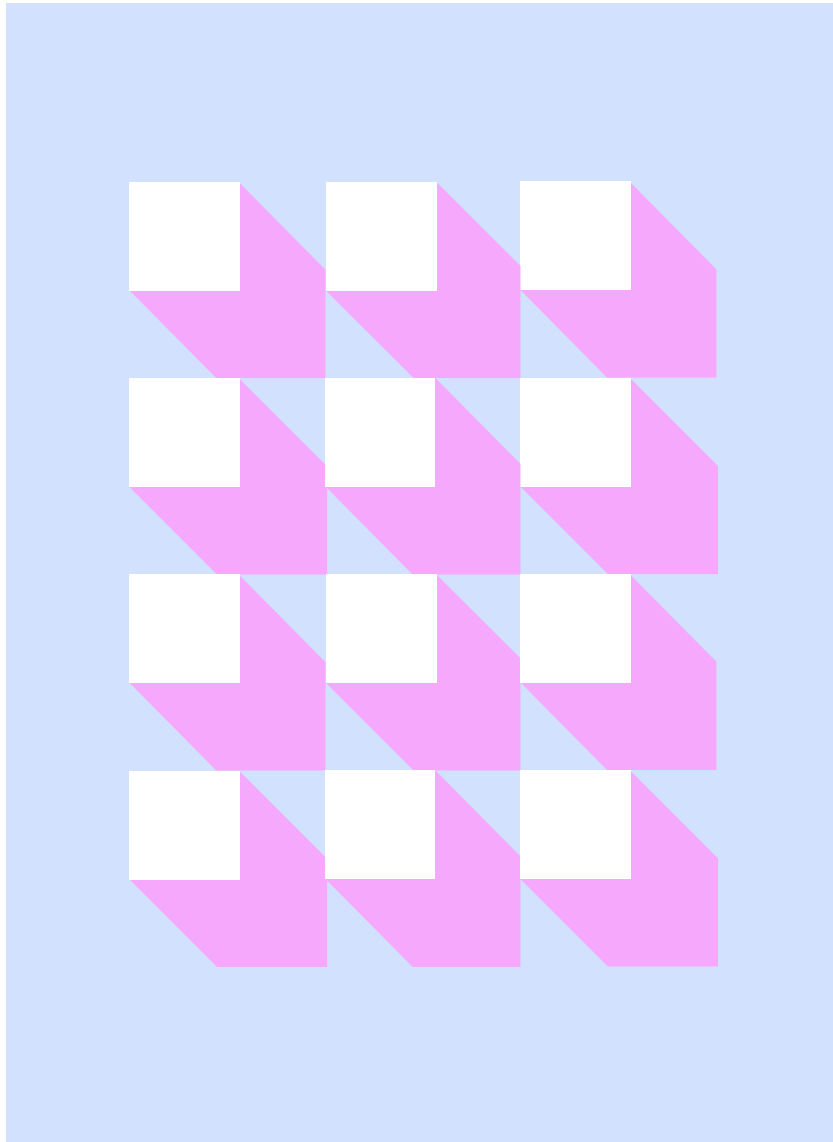
Tracking the right data—and knowing which data to look at—is necessary to accurately gauge the health of any business. But many SMBs might have a distorted view of their company, whether from viewing the wrong metrics or misinterpreting the numbers.

According to our survey, this thesis appears to be particularly true regarding CRMs:

-  **29% didn't agree or disagree that CRM helped them understand business health**
-  **43% responded "neutral" about their satisfaction with CRM reporting**



This pronounced neutrality among such large percentages of respondents signals a major knowledge gap around the existence of CRMs with more robust reporting functionalities across different customer journey stages (e.g. deal tracking, opportunity pipelines, customer success activity, project management and task automation). Simply put, **many SMB leaders might not know what to look for in a CRM solution that will meet their business reporting needs.**



Growth and learning opportunities for SMBs

Knowledge is power. So what can SMBs learn and where can they go from here? There are plenty of opportunities for growth and improvement when it comes to business reporting and analytics processes.

CRM reporting: finding the right solution

With nearly [400 CRMs on the market](#), you'd be forgiven for not having a full grasp of the range of options out there. It's a crowded marketplace; sorting through all the solutions can be frustrating and overwhelming.

That's why it's crucial to gain a better understanding of CRMs, the core functionalities they can offer—like reporting—and the features that are a priority for your business. Overcoming the knowledge gap around CRM will also help put you on a path toward data-driven success for your company. (More on how to do that in a minute).

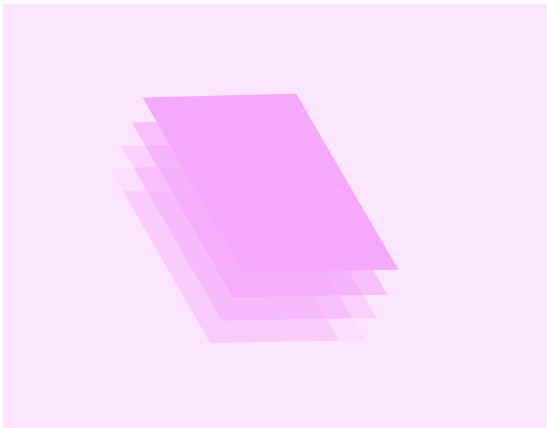
First, let's look at what hasn't been working for SMBs. Respondents shared a lot about their CRM reporting challenges. When asked why they choose not to report off CRM data:



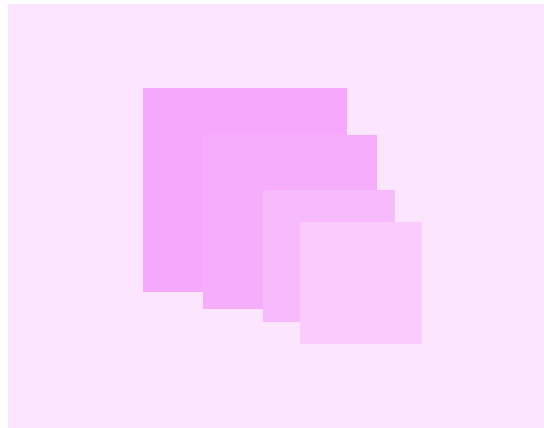
We know that, in theory, CRM reporting tools *can* provide an accessible yet sophisticated view of your business—but it's telling that SMBs haven't found this functionality effective or reliable.

Across the board, it's clear that

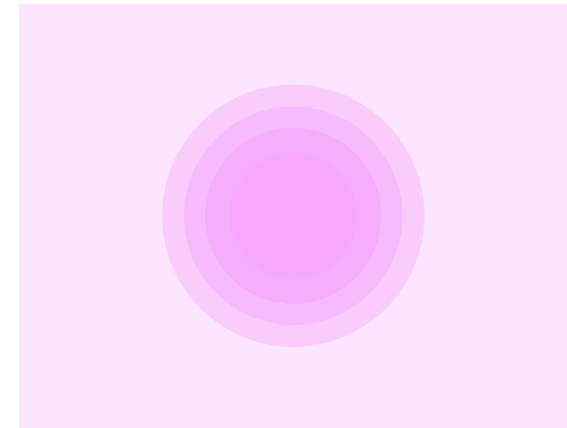
CRM reporting has a lot of room for improvement. But a big takeaway here is that **not every CRM is created equal**. Some CRM systems offer more robust reporting features than others. This functionality can include:




Pre-built reports templates you can use to start reporting instantly



Customizability to create your own insights around company-specific goals or metrics



Cloud-based software with mobile access for on-the-go tracking, keeping data synced and up-to-date for accurate insights on demand




And let's not forget about [sales forecasting](#): an incredibly valuable activity that can be supported by CRMs with robust reporting capabilities. When companies track the right metrics, they can estimate future sales based on current and historic data. This kind of predictive modeling can help you decide, based on relevant customer intelligence, whether boosting ad spend or bringing on new hires in the next quarter is a realistic move.

By leveraging a CRM system to analyze and report on the right data, you can gain a solid picture of things like your sales pipeline, opportunities that are being nurtured and current lead generation efforts.


Choosing a CRM

Here are some questions to help you identify your CRM priorities around tracking your business health:

 **What customer relationship metrics do we want to track better?**

 **What processes do we want to gain better visibility into?**


- ◆ Lead nurturing
- ◆ Opportunity tracking
- ◆ Customer success

 **What operational workflows do we want to create or streamline?**

 **Who in our organization will use the CRM?**


- ◆ Sales
- ◆ Marketing
- ◆ Account management

 **What data points do we need to inform business forecasting?**

 **What software do we want to integrate with the CRM?**

- ◆ Email
- ◆ Accounting
- ◆ Invoicing
- ◆ Prospecting tools
- ◆ Payments
- ◆ Quotes

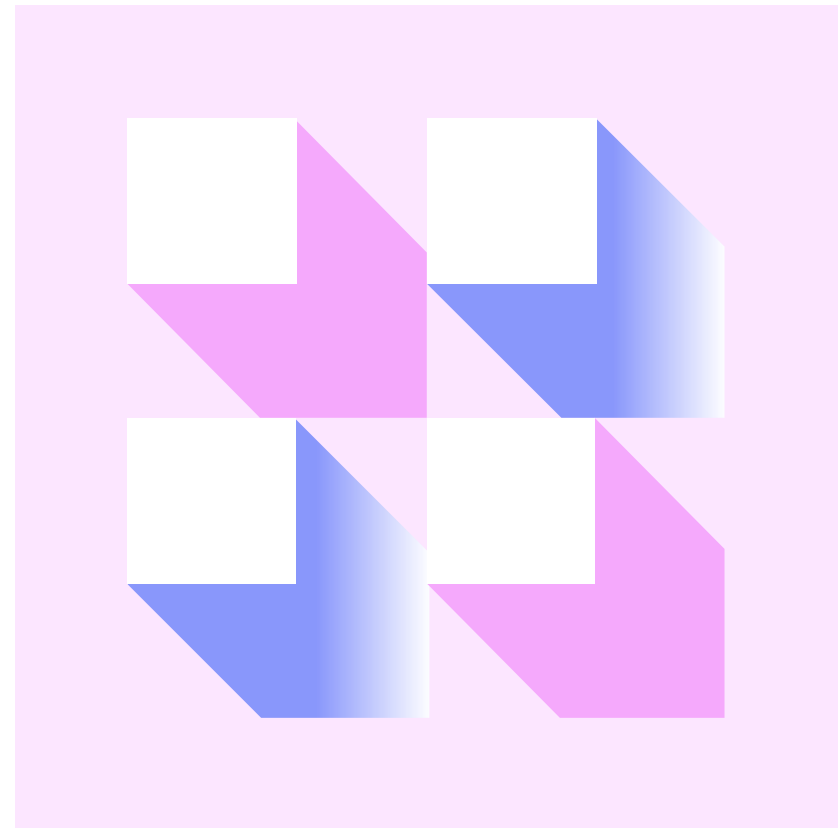
 **Are there industry-specific use cases that the CRM needs to address?**

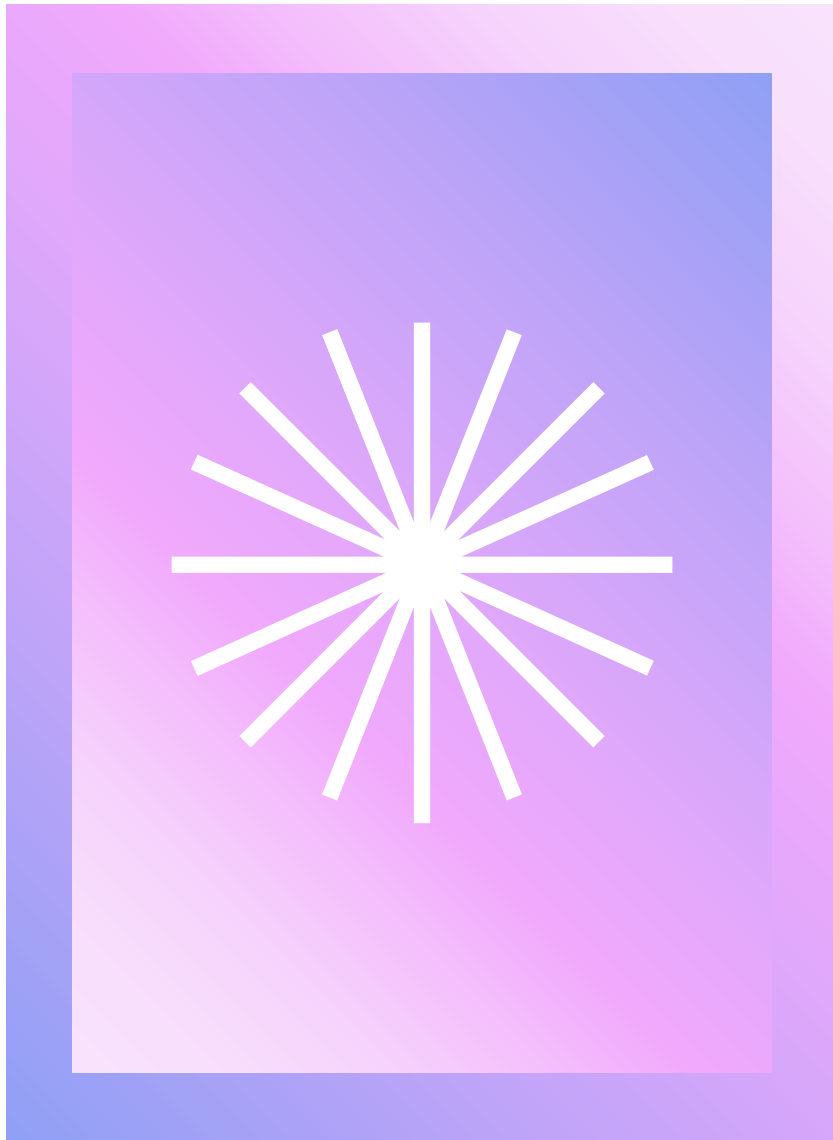
 **Do we want to be able to fully customize how we use our CRM?**

And maybe, just maybe, **it's time to hit the reset button on the way we think about CRMs.**

There was a time when CRMs were so complex that you needed to hire a pricey consultant just to get up and running. But this is no longer the case—at least not for all CRMs. Many modern CRM systems are user-friendly solutions that can be implemented in just a few days and function intuitively to help make your work day easier—not more complicated.

After you've answered the above questions, you'll be armed with the criteria you need to do a fresh CRM search and land on a solution that is up for the job.





Letting CRM solve your reporting problems

While SMBs have been stepping up their digital game when it comes to customer communication in the COVID-19 era, widespread adoption of rigorous data reporting, specifically within CRMs, remains a major work in progress.

With half of respondents saying they don't even use a CRM, and many expressing indifferent or neutral attitudes about its utility and benefits, it's clear that CRM has gotten a bad rap.

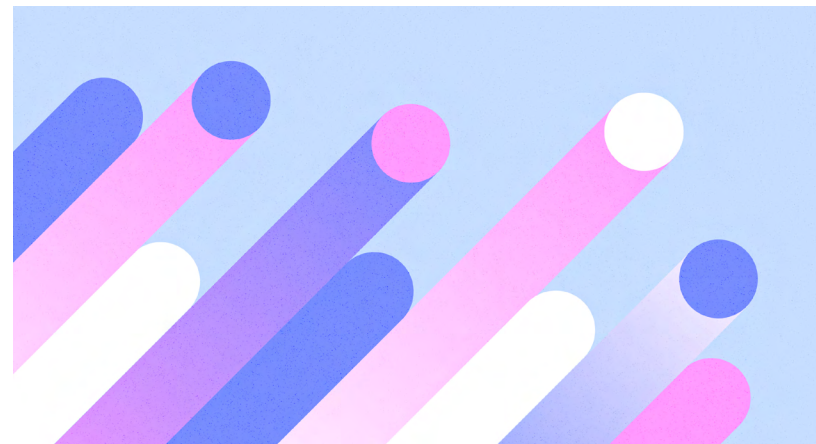
One question looms large:

Why don't people trust or use reports in their CRM?

SMB professionals say it's because CRMs either don't hold all the necessary data, or they just don't provide the exact data insights people need (hence, exporting data to Excel). Of course, **the downside of a hodgepodge approach is lost time and productivity, and an increased likelihood of data errors.**

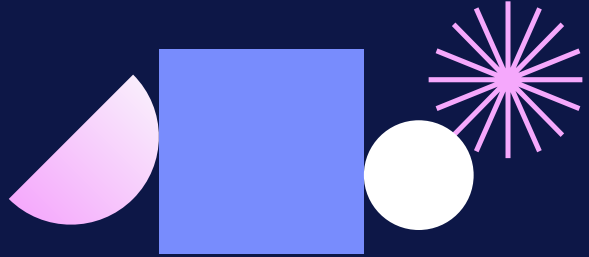
You're definitely not alone if you—like the survey respondents—are using a handful of different tools to report on the health of your business. Even with all the advances

in marketing and analytics (like business intelligence tools, machine learning and artificial intelligence), no easy button for SMB data reporting has emerged yet.



Still, there are solutions out there to make data reporting around business health much simpler. [Copper](#)'s customization options, strong reporting features and automated data syncing help business owners feel more comfortable trusting the numbers.

Amid all the uncertainty that surrounds us today, it may be worth exploring CRM solutions that meet your unique needs. And if your business happens to be built around relationships, then Copper might be the right fit.



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CRM with robust
reporting**

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Methodology

In May 2021, we surveyed 102 SMB professionals on their experience with reporting and CRMs. The poll respondents (52% female and 48% male) ranged in age from 30 to 60+ years old, with household incomes between \$75,000 and \$199,999; they also hailed from a number of distinct regions across the continental United States. All data cited in this report is from the survey results, unless otherwise noted.