Microsoft Customer Relationship Management for Small and Medium-Sized Enterprises: Challenges and Opportunities

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Abstract - **Customer Relationship Management (CRM) platforms are widely used as tools to help organizations streamline processes, develop customer relationships, increase sales, enhance customer service, and boost profitability. Customer acquisition and retention, which are at the core of a CRM's function, depend on building strong relationships and tracking prospects and customers. However, selecting a suitable platform to accomplish the aforementioned goals is crucial, especially for medium-sized businesses (SMEs). There are great advantages to using CRM for any business, like enhanced contact management, cross-team collaboration, heightened productivity, empowered sales management, accurate sales forecasting, reliable reporting, improved sales metrics, increased customer satisfaction and retention, boosted marketing Return on Investment (ROI), and enriched products and services. This review compares the challenges and opportunities regarding using Microsoft CRM platform and a few other well-known CRM platforms, with an emphasis on SMEs.**
Keywords: **CRM, SME, Microsoft CRM, SAP CRM, Sugar CRM, Sage CRM**

I. INTRODUCTION

Customer retention and better efficiency are just a couple of the many advantages CRM software may offer your small business. In order to enhance customer happiness and experience, customer interactions are gathered in one location. CRM is one of the fastest-growing industries in the world, with growth of 14% predicted between 2021 and 2027. Improved customer retention, more sales, and thorough analytics are all advantages of CRM. CRM software has evolved into an almost indispensable tool for companies of all sizes. CRM software may help any business in a number of ways, from contact management to task automation. It could also be a concentrated, well-organized hub that facilitates regular communication both with clients and within the business. As more businesses transition to remote employment, this is increasingly crucial. Many different kinds of enterprises and teams can profit from CRM software because it offers such a wide range of advantages. Companies of all sizes, from one-person startups to large multinational organizations, can benefit from CRM technology. As organization, centralized task management, marketing automation, and communication are crucial to the success of every firm, these are the main purposes of a CRM. In order to establish whether Microsoft CRM is valuable for SMEs,

the current study compares it to a few really well-known CRM applications from around the world.

A. Small and Medium-Sized Enterprises

Small and medium-sized enterprises (SMEs) or small and medium-sized businesses (SMBs) are businesses with employee and revenue counts below a predetermined threshold. International agencies including the World Bank, the European Union, the United Nations, and the World Trade Organization all use the acronym "SME" to refer to small and medium-sized enterprises (WTO). SMEs frequently outweigh large businesses in terms of both quantity and employment in any given national economy. Small and medium-sized businesses are more prevalent in developing nations. In many economic sectors, SMEs are also crucial in fostering innovation and competitiveness. While SMEs produce more new jobs than large businesses, they also experience the majority of job loss and contraction. Given the sector's importance to employment, SMEs are significant from an economic and social standpoint. SMEs are greatly influenced by their chief executive officers, or CEOs, because of their size. The founders, owners, and managers of SMEs frequently serve as their CEOs [1, 2].

B. Customer Relationship Management

Customer relationship management is a process in which a business or other organization administers its interactions with customers, typically using data analysis to study large amounts of information and also CRM is a technology for managing all your company's relationships and interactions with customers and potential customers. CRM systems compile data from a range of different communication channels, including a company's website, telephone, email, live chat, marketing materials and more recently, social media. The goal is simple: Improve business relationships. A CRM system helps companies stay connected to customers, streamline processes, and improve profitability. Businesses use CRM as a tool to engage with their clients and provide better service. Companies and commerce that successfully apply CRM strategies and requests will experience a large rise in sales, customer happiness, and, ultimately, commercial success [3]. Customer satisfaction was assessed using yearly surveys or by asking customers directly when

the idea of customer relationship management first emerged in the early 1970s. Businesses had to use standalone mainframe systems at the time to automate sales, but the level of technology at the time allowed them to classify customers in spreadsheets and lists. Companies of all sizes benefit from CRM software. For small businesses seeking to grow, CRM helps automate business processes [4], freeing employees to focus on higher-value activities. For enterprises, CRM helps simplify and improve even the most complex customer engagements [5,6]. Effective CRM using Predictive Analytics will benefit data mining practitioners and consultants, data analysts, statisticians, and CRM officers [7]. CRM contains three major components: customers, relationships, and management [8].

C. Microsoft Dynamics CRM

An assortment of tools for managing customer relationships is included in Microsoft Dynamics CRM Sales. The most recent version, Dynamics 365, is a significant release from a major player, Microsoft, which has long been the industry leader in business software and will continue to grow in popularity as it successfully competes with other CRM and ERP (accounting software) providers like Saleforce.com, SAP, Oracle, NetSuite, and others. Businesses are now transitioning more and more to "software as a service," which is rented online and is based on subscription fees, from "on premise" software [9,10]. Name and licensing changes resulted from the update from Dynamics 2016. Microsoft Dynamics CRM enables businesses to spend less time on marketing, enhance brand coherence, streamline messaging, and gain better customer insight so that initiatives can be planned more successfully and carried out more effectively. Comprehensive customer service capabilities are available with Microsoft Dynamics CRM. This will enable businesses to manage customer service more effectively and outperform the competition. With Microsoft Dynamics CRM, it can be used to deliver pertinent and efficient services from anywhere at any time. The majority of new users have trouble entering their data into the program. Additionally, because Microsoft's CRM is a complicated piece of software, using it requires extensive training for employees.

For instance, a user who wants to use this software in a language other than English will likely encounter many issues, some of which are,
1. In order for all employees to be able to use non-English language support, you must pay a separate fee and invest more time. This system does not have a very strong non-English language component.
2. This software requires that you install the solar calendar. because it only by default uses the Gregorian calendar.
3. To have the software tailored to a business, a separate fee must be paid.

D. History of Microsoft Dynamics CRM

Today's Dynamics suite is inextricably linked to Microsoft for the majority of users, including many IT professionals who use it. In 1993, Great Plains, an independent business with headquarters in Fargo, North Dakota, released the initial version of what would later develop into Dynamics GP. One of the first multi-user accounting programs offered in the US was Dynamics Release 1.0. When Microsoft released its first online business solutions client in 2007, immediately following the release of Dynamics CRM 4.0, the North American market was given a sneak preview of what the enterprise software industry would look like in the future. Microsoft's dedicated CRM Online service or a Microsoft partner were the two ways to access Dynamics CRM Online, a web-hosted version of the software.

Microsoft was gradually adapting the suite to the "cloud first, mobile first" philosophy that would soon become its catchphrase. Microsoft unveiled Dynamics 365, the next development in the evolution of its business solutions, five years after the widely used Office suite received the cloud treatment with the introduction of Office 365 [11].

The current Microsoft Dynamic CRM versions are,
1. Microsoft 1.0, the official product name was Microsoft Business Solutions Customer Relationship Management 1.0 [2] released in January 2003.
2. Microsoft 1.2, codename Danube Phase I, released in December 2003.
3. Microsoft Dynamics CRM 3.0, codename Danube Phase II [3], released in December 2005.
4. Microsoft Dynamics CRM 4.0, (a.k.a Titan with earlier codename Kilimanjaro and candidate codenames Hamilton and Madison), released in December 2007.
5. Microsoft Dynamics CRM 2011, codename CRM 5, released in Beta in December 2010, Release Candidate in December 2010 and finally released in February 2011
6. Microsoft Dynamics CRM 2013, released in Closed Beta in July 2013, online went live in October 2013, On-Premises released in November 2013.
7. Microsoft Dynamics CRM 2015, released in September 2014.
8. Microsoft Dynamics CRM 2016, officially released in November 2015 [11,12,13].

E. Brief Methodology

In this review, we have compared Microsoft CRM, SAP CRM, SugarCRM, and Sage CRM using professional websites for computer sciences (26%), book and article publications in google scholar (32%), and internet resources (42%). The criteria for inclusion in pros and cons were platform features, language support, web-based user interface (UI) and user experience (UX), third-party software integration, costs, a mobile app, open source, a support team, business intelligence (BI) tools, data export and import, and software administration simplicity.

F. Expected Outcomes

Although the literature has shown that Microsoft CRM has a lot of benefits for SMEs, it faces a number of challenges

when used to manage customer relationships. In comparison with the other high-profile CRM platforms, we expect,

1. The Microsoft CRM platform to be probably not highly profitable for SMEs due to the high cost of the software.
2. The Microsoft CRM platform to be probably cost-effective for large companies due to the efficient features of the platform.

II. MICROSOFT DYNAMICS 365 CRM IN COMPARISON WITH COMPETITORS

A. Microsoft Dynamics vs. SAP CRM

SAP CRM is one of the best CRM systems on the market. Its advanced architecture and design provide for comprehensive and flexible adoption and also permit the development and release of functional upgrades of individual modules without disrupting the already functioning system at various customer installations in a major way [14]. For users in the retail sector, SAP is often preferable to Microsoft Dynamics because it provides suitable product creation functions, made-to-order processing, and dependable quality control functionality. SAP deployment takes less time and results in fewer service interruptions, although these interruptions continue longer on average [15]. In contrast, Microsoft Dynamics AX is more flexible and user-friendly than SAP. Since the user interface is browser-based and more user-friendly than SAP's, inter-organizational connectivity is strongly supported (Table I) [16,17,18,19].

TABLE I COMPARISON BETWEEN MICROSOFT DYNAMICS AND SAP

Product	Pros	Cons
Microsoft Dynamics	1. A wide range of features in Dynamics are focused on flexibility and customization. 2. Many languages and currencies are supported. Dynamics supports different currencies and multiple languages. 3. Web-based UI interfaces are simpler to interact with. 4. Has backward compatibility and can smoothly interface with any Microsoft product [20]; 5. Has many versatile capabilities, so third-party software integration may not be required.	1. Businesses that operate in areas with insufficient infrastructure may encounter issues with web-based user interfaces. 2. There are integration problems with non-Microsoft products. There aren't many choices. 3. Because each feature is flexible and customizable, integration typically takes longer. 4. Without a certified Microsoft Dynamics Partner, it cannot be done.
SAP	1. It offers a basic application with all of the core ERP functionalities with the option to add on later as your needs change; 2. It is more suited for large enterprises that require robust, standardized features; 3. It also provides great BI features like logical dashboards, data storage, and report writing. 4. Integration and implementation times are typically shorter since features are standard because SAP builds all of its systems in-house and adds its features and upgrades. 5. Easily integrates with the majority of third-party programs, making switching more convenient; Support from the world's largest provider of application software [14] 6. A welcome departure from the majority of other hosted CRM vendors is the isolated tenancy hosted delivery model [14] 7. A robust ERP can be integrated with CRM [14]	1. SAP takes far longer to master than Microsoft Dynamics. 2. The user interface is not engaging and is complicated. 3. It may take some time to fully comprehend SAP and all of its features. Complex user interfaces are useless.

B. Microsoft Dynamics vs. Sugar CRM

Two industry-leading customer relationship management programs with comparable features and capabilities are Microsoft Dynamics 365 CRM and SugarCRM. Sugar products can be used by mid-market companies, but the streamlined focus may limit growth. SugarCRM is open-source; It supports databases including Microsoft SQL Server, Oracle, MySQL, and IBM DB2 and can run on several platforms [29]. The system is being developed by SugarCRM. The company was founded by John Roberts, Clint Oram, and Jacob Taylorin in 2004 [32]. Microsoft is a software powerhouse, and its Dynamics 365 CRM solution is a great fit for mid-size businesses hoping to scale and succeed all at once.

The software pairs seamlessly with related solutions like Microsoft 365, Power BI, and other Dynamics 365 products, making it an excellent choice for Microsoft-oriented companies that want to add to their existing architecture (Table II) [21,22].

TABLE II COMPARISON BETWEEN MICROSOFT DYNAMICS AND SUGARCRM

Product	Pros	Cons
Microsoft Dynamics	1. Customer service 2. Microsoft products 3. Integration with outlook	1. Time consuming 2. End users 3. Mobile app 4. Out of the box and custom integrations [20]
Sugar CRM	1. User friendly 2. Open source 3. User interface 4. Great social media tools [23]	1. Difficult to use 2. Email marketing 3. Support team 4. Knowledge of databases and web servers is required [23]

For small businesses with limited resources, Sugar Sell is a practical choice. Sugar Sell is cloud-based software, so business owners will not have to worry about hardware maintenance or manually scheduling and managing quarterly upgrades. Its modules, including those on sales and marketing, can be combined and matched to fit the needs of businesses.

1. Deployment Options

Modern businesses frequently choose cloud deployment because it provides high-level security and the flexibility to access data from any location, at any time. Although Microsoft Dynamics 365 CRM was designed for on-premise deployment, Dynamics 365 gives Microsoft CRM access to a range of applications and the power of the cloud. Microsoft's CRM has flexible deployment options to choose from [22,31].

2. Upgrades

Both Microsoft and Sugar provide frequent upgrade cycles, frequently releasing service packs and bug fixes in addition to new features. Quarterly updates are also made to Sugar Service, one of Sugar's three independent CRM applications. Upgrades for Sugar and Microsoft cloud-based products are automatically deployed, cost-free, and require no download or installation [22,31].

C. Microsoft Dynamics vs. Sage CRM

Microsoft Dynamics leads the industry in providing technologies for enterprise resource planning (ERP) and customer relationship management (CRM). Its integrated tools are useful in every part of your business: sales, marketing, operations, finance, commerce, and human resources. Sage CRM is a powerful and easy to use Customer Relationship Management (CRM). Solution that increases productivity, fosters collaboration, and improves the customer experience [30]. It is designed for small and medium enterprises, integrates automated sales and marketing, customer service, and other tools and capabilities in its cloud-based CRM solutions, which you can also deploy on-premise (Table III) [24,25,26,27,28].

TABLE III COMPARISON BETWEEN MICROSOFT DYNAMICS AND SAGECRM

Product	Pros	Cons
Microsoft Dynamics	1. Microsoft Dynamics has inbuilt BI tool and a great reporting platform. 2. A few practical out-of-the-box capabilities, such as bulk uploads of leads from trade exhibitions or CRM creating the Opportunity, Contact, etc. when a Lead is qualified.	1. Microsoft Dynamics 365 storage and license prices may make the platform unusable for some large deployments or even modest initiatives with tight budgets. 2. There is little to no documentation on how to properly comprehend the default settings and solution provided out of the box. 3. Microsoft must provide incentives for more external platforms, like Zendesk, Slack, Tableau, etc., to develop app connectors for simple integration. 4. If a sound change management strategy isn't put into practice, it may be difficult to get new users to accept platform modifications or buy-in.
Sage CRM	1. The user interface has everything it needs and places it in convenient places, so it doesn't have to hunt and peck for the items it wants. 2. Submodule drilling down from GL functions without a hitch. 3. Simple data import and export 4. Very simple software administration.	1. It does not come with a BI tool, but the landing page's Crystal Reports can be used to customize it. 2. configurational complications A third-party vendor must use it to assist in customizing the system so that it can be used within the organization more effectively. This came at an extra cost.

Keeping a business ahead of the competition requires vision, innovation, and the right technology. A CRM that integrates analytics to simplify business processes, improve performance, and spur growth is essential for empowering a team member. Microsoft Dynamics and Sage CRM each have their advantages and strengths, but the best test of these solutions boils down to a business requirement. For all sizes of business and in any industry, Microsoft Dynamics might be the right fit, especially if business owners automate to enhance every line of their business, from sales to human resources. Sage CRM, on the other hand, excels in small and medium-sized businesses because it is specifically designed for them [24,25,26,27,28].

1. Sales Tools

Microsoft Dynamics provides real-time data and data analytics tools to help businesses better understand their customers. The sales team's ability to access customer information from any location and on any device makes collaboration simple and effective. Monitoring a company's sales, sales leads, and client communications is simple with Sage CRM.

2. Marketing Campaigns

Microsoft Dynamics provides comprehensive customer analytics to help businesses create more effective marketing campaigns. Better customer experiences can be designed quickly and easily through tailored, data-driven, and focused omnichannel marketing campaigns. Sage CRM allows it to maximize its marketing budget because it works best for campaigns that are specifically targeted. Because they have a data-backed understanding of their audience and market, targeted campaigns are less expensive and more effective.

3. Customer Service

Microsoft Dynamics provides sophisticated tools to assist business owners in personalizing, delivering quick service, and creating memorable customer experiences. Process automation, customer data management, quick access to metrics, knowledge-based customer interaction, visualizations and reports, and more are all part of Sage CRM's service solutions. The customer service team of the company owner can easily access customer data to provide better service, and they can work together to boost productivity.

4. Integrations

In addition to Office 365, SharePoint, One Note, Power BI, and other Microsoft platforms, it can access information and resources from those as well. It connects to MailChimp, Procore, Campaign Monitor, File Hold DMS, Handshake, Evolve IP Phone System, Sales fusion, and a wide range of other third-party platforms.

III. CONCLUSION

If a company is small or new, it must select software that is reasonably priced, meets its needs, and aids in business growth. Large international companies deal with different customers from all over the world; their inputs and outputs are certainly very different from those of a small domestic business. Companies with a large number of employees and different customers from all over the world use the expertise of experts in their CRM department. If the cost of this software is not prohibitively expensive, then Microsoft CRM software is probably an option for them. It is suitable. However, if the company is small, it may be worthwhile to consider other options.

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