

## IBM Dynamics Value Assessment

Create a new Strategy for Growth  
Build Future Resiliency

Our Dynamics Value Assessment is a remotely managed series of workshops that uses a business centered approach to quickly identify opportunities across our client's sales, marketing and service organizations. We tend to focus on ROI and metrics related to customer relationship management (CRM), retention, lifetime value and the ability to capture a wholistic customer view.

IBM benchmarking studies show that many enterprises have not optimized their IT investments nor their use of sophisticated CRM analytics. In a recent survey of more than a thousand firms, only 15% ranked as best-in-class. **What distinguished those elite organizations from the other 85%?**

One finding is that top performers had created a well documented CRM strategy. Given the importance of establishing a strategy-first approach, we advise clients to consider employing metrics like Customer Lifetime Value (CLV), cost of acquisition, return on marketing and net promoter score. Only 24% of the clients we surveyed, for example, actually measure their CLV.

**The hallmarks of a best-in-class company include:**

- Designing CRM systems for a 360 customer view
- Targeting and measuring customer relationships
- Investing in more accurate reporting
- Adopting a customer experience strategy that goes beyond basic satisfaction to achieve more emotional goals

The IBM Dynamics Value Assessment is a strategic offering for improving platforms, processes and cost structures. The workshop is custom-built to help you completely rethink your CRM strategy and isolate high value, near term opportunities using a hypothesis-based approach and cohort comparisons.

### Why IBM Services



IDC MarketScape: Leader for Worldwide Microsoft Implementation Services



ISG: Leader for SAP on Azure Services



SAP HANA Innovation Partner of the Year



Microsoft Gold Partner



22 centers of competency in Europe, Asia and north America



Global Microsoft Cloud Capabilities



Database and Technology / HANA Co-innovation Partner of the Year.

### Introducing IBM Global Business Services

The IBM GBS team includes over 4,600 Microsoft practitioners who have built a portfolio of intellectual property around Microsoft Dynamics. One example of that is the Dynamics Value Assessment, our unique offering geared towards improving customer acquisition, retention, value and your platform investments.

## Identify Emerging, High Growth Opportunities

The offering helps you build a digital transformation strategy that integrates your business, customer, and user requirements. It provides data-driven recommendations to help you realize your digital transformation vision.

**A team of trained and experienced IBM consultants will help you:**

- Assess your IT infrastructure, identify gaps and offer recommendations tailored to your vision
- Create tangible value around customer experiences and equip you with a clear roadmap
- Optimize your IT investments for strategic, competitive differentiation

Powered by IBM's industry-leading Design Thinking approach, the workshop lets you team up with our experts for a thorough assessment of your IT infrastructure, determine key pain points, identify gap and prioritize goals.

At the conclusion of the assessment phase, we deliver interview findings, provide Microsoft Dynamics assessments and a transformation plan. Comprehensive financial, functional, technical, and timing information are included in the recommendations in a strategic roadmap.

## IBM is helping clients use Dynamics "Microsoft Dynamics 365" capture Customer Lifetime Value while building more resilient operating models

### Low adoption of CLV should be a wake-up call

Customer lifetime value (CLV) is getting a lot of increased attention, so we wanted to see how this metric is being adopted.

The data delivered two surprises. First, only 24.2 percent of survey respondents know that they track this metric. Given the strategic importance of customers' lifetime value to a company, this low adoption should be a wake-up call for companies not yet acting on this information.

Second, while adoption among medians and laggards was similar, best-in-class companies were 27 percent more likely to track CLV than medians. This isn't surprising as top performer benefit from rigorous reporting and followthrough action.

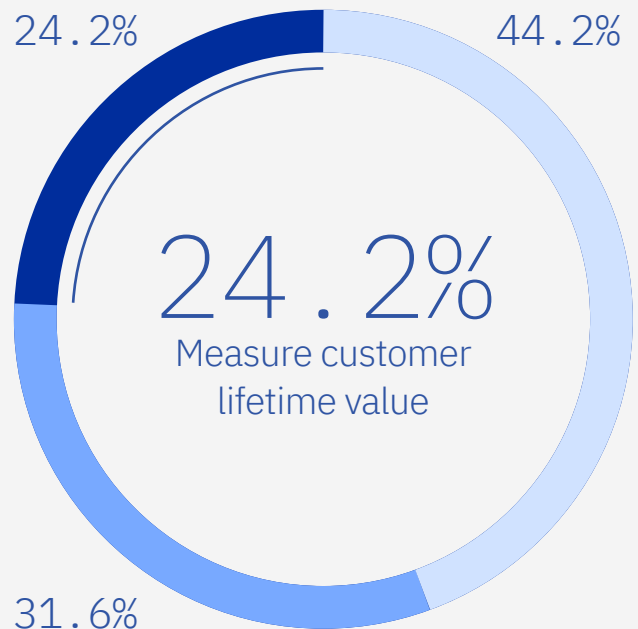
### Customer lifetime value measurements

Understanding customer lifetime value can help your business answer these important questions:

- What's a lead worth? Most marketers don't know. Only when you know CLV do you know how much to spend to acquire new customers. Understanding CLV can help you manage acquisition costs.
- Which customers are entitled to premium services? It's good business strategy to treat different customers differently. By segmenting customers according to margin, profit or other contribution, smart businesses can deliver higher levels of service to more profitable customers and keep those customers longer.
- What's the impact of retaining or churning certain types of customers? CLV supports sensitivity analysis to predict the financial impact if the company implements action to decrease customer churn by a given amount.

Figure 1: Do you measure customer lifetime value?

- Yes
- No
- Don't know



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