

Contact Management Software Solutions... Helping You Grow Your Business



ACT!™

Make Contact. Build Relationships. Get Results.



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Contact management software is an excellent tool for salespeople. In addition, it can help many other people grow their businesses, including small business owners, executives, consultants, real estate agents, recruiters and financial professionals. This paper examines contact management software, compares it to other types of software solutions, and shows how it can help sales and other business professionals manage their business relationships more effectively.

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Executive summary

If you are like many business people, maintaining contact with people outside your company is a key part of your job. This includes contact with prospects, customers, clients, vendors, and suppliers. It is through these contacts that you build the relationships that are so vital to your business. As a result, it is essential that you make the most of these contacts. And the best way to do it is with effective contact management.

If you work with only a few contacts, you can probably manage your business relationships with a simple calendar and address book. If you work with numerous contacts, however, you need much more. You need an automated and efficient system to help you manage contacts and related activities effectively so you can maintain tight business relationships. You need a contact management software solution such as Interact Commerce's ACT!™.

Contact management software is an indispensable tool for sales professionals. It is also an ideal solution for other business people who, like sales representatives, are externally focused and working to build a business. Examples include small business owners, consultants, professional recruiters, and real estate professionals. This paper examines contact management software and the many types of business professionals who could benefit from it. It points out the important differences between contact management software, personal information management software (PIMs), and collaboration and communication solutions, such as Microsoft® Outlook®. It describes ACT!, the industry-leading contact management solution from Interact Commerce Corporation, and distinguishes it from PIMs and Outlook with respect to its intended use, capabilities, and future direction. The paper also illustrates how ACT! can help build better business relationships by effectively managing the many activities surrounding contact with prospects, customers, clients, colleagues, and business partners.

ACT!, the industry-leading and best-selling contact manager

Interact Commerce's founder, Pat Sullivan, pioneered contact management with ACT!. Today, ACT! is the industry-leading contact manager with over 11,000 corporate accounts and more than 3 million users worldwide.

"Installation is a breeze thanks to the QuickStart wizard, Getting Started video, and comprehensive printed and online manuals. And the Dale Carnegie sales process — including the 11 sales stages — provides tips for using proven techniques in your sales efforts."

PC Magazine, August 2000

"ACT!'s interface, already easy to learn and use, has a few welcome improvements, such as fields that speed data entry by creating drop-down lists based in your input."

"ACT! Tops for Sales Pros," PC World, October 1999

"As a pioneer in the contact management arena, ACT! continues to push the category to new heights. Sporting a slick new look, ACT! is everything a leading contact manager should be: intuitive, inviting and innovative."

"Contact Managers Break New Ground," Computer Shopper, September 1999

“ACT! has long had many likable features, but the addition of sales-friendly functionality makes ACT! a very apt choice for small organizations that need to organize their sales efforts but do not want to wrestle with the complexity or cost of a full-featured CRM product.”

“ACT! Courts Small Sales Teams,” InfoWorld, December 6, 1999

“ACT! is a salesperson’s best friend for managing contacts and leads, with Web integration and a friendlier user interface.”

“Get Your ACT Together,” PC Computing, October 1999

ACT! is ideal for individuals who are externally focused and want to grow their businesses—whether the business is a sales territory, a small company, a consulting practice, or an investment firm. ACT! can help these people build better business relationships and generate more repeat business through effective contact management. ACT! has maintained its industry leadership in contact management with a number of important features.

What is contact management?

Contact management is the management of all the tasks and information related to developing and maintaining relationships with the people with whom you do business. It involves a variety of activities, including:

- **Finding and contacting new prospects**
- **Following up with prospects and clients by telephone, fax, mail, and email**
- **Sending product information, proposals, and quotes**
- **Scheduling appointments and meetings**
- **Creating correspondence to follow up and to generate new sales**
- **Managing customers’ post sales requests for service and support**
- **Maintaining accurate records of all contact interactions**
- **Generating reports for reviewing activities and client/account status.**

Automating the process with contact management software

A contact manager helps you free up valuable time that you typically spend on routine administrative tasks. You can spend this time more profitably responding quickly to customer needs and following up with clients and business partners in a consistent and organized manner. As a result, you increase your effectiveness in building business relationships and growing your business.

The need for a contact manager is typically associated with salespeople. However, any businessperson who is externally focused and needs to grow his or her business can benefit significantly from a contact manager.

- **Small business owners and managers** can keep track of customers, vendors, and business partners such as suppliers
- **Consultants** can manage client interactions as well as interactions with other consultants who provide complementary services
- **Real estate agents** can more effectively farm their territories by managing relationships with sellers and buyers
- **Building contractors** can coordinate subcontractors, suppliers, customers, and inspectors
- **Public relations and advertising professionals** can manage interactions with clients, press, writers, printers, and graphic artists

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- **Recruiters** can track job candidates and clients to match people and companies faster and more efficiently
 - **Seminar and training professionals** can manage interactions with instructors, promoters, attendees, facility managers, and equipment suppliers
 - **Manufacturers' representatives** can track transactions and interactions with manufacturers and customers
 - **Banking and financial professionals** can maintain contacts with clients and financial product providers.

These people have a great deal in common with salespeople. They are all running a business within their territory. Their major tasks are to find and target new prospects and to ensure the satisfaction of current customers. As a result, they all perform similar activities that can be automated and streamlined by a contact manager.

How contact manager solutions differ from other interaction solutions

A wide variety of products are available to help business people in dealing with others. This paper presents the differences between contact managers and two of the categories most closely related to contact managers: personal information managers (PIMs), and collaboration and communication solutions, such as Microsoft Outlook.

Contact managers

Contact managers are designed specifically for relationship-driven professionals. Contact managers make these people more effective in managing relationships by helping them manage their interactions with people outside the organization. Interactions include contact with prospects, customers, clients, and business partners such as suppliers and distributors.

A comprehensive contact manager includes:

- **Ready-to use database with searching**
- **Notes and customizable fields**
- **A calendar that links to contacts**
- **Automatic history**
- **Mail, fax, and email merge**
- **Customized reporting**
- **Sales tools**
- **Links to the Internet**

Built on the foundation of a contact-centric database, contact managers provide complete and comprehensive tracking of all information related to contacts. For example, if a meeting is held with a particular contact, the contact manager tracks the meeting date and time, the subject, the attendees, all associated correspondence, and any meeting notes.

Contact managers add a user interface to the power of a database, allowing fast and easy access to all information associated with a contact. When a client telephones, for example, a consultant can immediately display a complete contact history for that client, including proposals, schedules, contracts, meetings, and telephone calls. Contact managers also provide tools that automate routine communication and reporting activities.

Personal Information Managers, PIMs

PIMs provide some of the capabilities of contact managers. However, there are important differences. A PIM is used primarily as an electronic record-keeping device that helps people move all their personal information onto their computers. It maintains information that has typically been scattered across a variety of paper devices such as index cards, Rolodexes, and calendars.

A PIM usually includes an address book, a calendar, and a to-do list, and typically mimics the paper-based versions of these tools. PIMs help business people organize their personal information such as schedules, tasks, and addresses. Unlike contact managers, however, PIM contact tracking functionality is rudimentary. Another important difference is that there is little integration between the components of a PIM, that is, PIMs don't integrate contacts, calendars, tasks, and correspondence generation. In addition, PIMs provide limited, if any, capability to attach free-form notes to contact records.

In summary, although PIMs store some of the same information maintained by contact managers, the information is not linked to contacts. As a result, it is time-consuming to gather all the information related to a specific contact and therefore cumbersome to use a PIM for contact management.

Business people who are not externally focused and don't need a powerful contact manager and contact database may be able to work effectively by simply getting their personal information into their computers. However, people who are trying to make sales, grow their businesses and improve their business relationships need more than a PIM—and that's where a contact manager such as ACT! comes in.

Collaboration and communication solutions

Collaboration and communication solutions, such as Microsoft Outlook, are designed primarily to help users organize information on the desktop and communicate and share this information among colleagues in a workgroup, department or team. Collaboration and communication solutions typically include:

- **Calendar**
- **Record keeping**
- **Email**
- **Task list**
- **Address book**
- **Document management**

A major difference between solutions such as Outlook and contact managers is that Outlook is internally focused rather than externally focused. Outlook facilitates sharing information and communicating within an organization, while contact managers facilitate the maintenance of relationships with people outside the organization. That's why Microsoft positions Outlook as a collaboration and communication solution rather than a contact manager. In addition, Outlook focuses on maintaining the user's personal information and only basic information about the user's contacts.

Outlook is built on the integration of four components: email, a scheduling manager, an address book, and a document management capability. As a result, it is well suited for coordinating the activities of a work group or team in that it facilitates collaboration and communication within the group, and it provides document flow control.

In contrast, contact managers are usually built on a contact-centric database and are designed for the day-to-day management of contact information in an individual or small group environment. A contact manager provides an excellent solution for people who work with outside contacts and need to keep track of all communications with each contact.

Overview of ACT!

Ready-to-use contact database

The ACT! QuickStart Wizard guides you through the initial creation and configuration of your contact database. With its predefined fields and built-in layouts, the database is ready to go, right out of the box. As a result, you can immediately begin recording calls, meetings, to-dos, correspondence, email, faxes, and other activities.

Easy entry of contact information

If you have existing contact information stored in another application, the ACT! Import Wizard guides you through every step of importing it into the ACT! database. It's also easy to enter new contact information. ACT! automatically memorizes each new entry and adds it to the appropriate drop down list, such as a list of company names, for easy retrieval.

With SideACT!, which is included with ACT!, you can enter information without launching ACT!. So you can quickly jot down calls and to-dos to keep track of the details, then transfer them later into the ACT! database. In addition, you can transfer expenses directly from ACT! into ExpensAble when you clear an activity such as a breakfast meeting from your calendar. This ensures you don't forget to submit expenses for reimbursement.

Fast, easy access to contact information

You can quickly find the information you need on any individual contact. Just type the first few letters of the contact's name, company name, phone number, or any column by which the contact list is sorted. ACT! immediately takes you directly to the contact you want. You can also use a keyword search to look through the entire database, including notes and details, to find the information you need. You can use filters to limit your search to specific information such as sales opportunities, notes and history, or activities.

Effective management by group or account

You can use the ACT! account management feature to group contacts by certain criteria for more efficient management. ACT!'s Group Membership Rules allow you to assign contacts to groups automatically based on a defined set of rules. For example, a sales manager can use rules to group leads by region, or a small business owner can use rules to group suppliers and business partners. The ACT! Group Membership Rules Wizard makes it easy to set up rules.

You can also manage contacts by account, pulling up and viewing in one place all contacts and activities related to a particular account. What's more, you can create subgroups within an account to organize the data in a way that reflects the organizational structure of the account. For example, you can group contacts within the same account by department or function. That way you can effectively manage accounts that have multiple contacts.

Efficient calendar and task management

You can easily schedule contact appointments and tasks. Use a simple click of the mouse to bring up a schedule dialog box and enter the time, date, priority and any other information you want to record. Then, with another mouse click you can view the activity on your calendar.

You can look at your tasks in a variety of ways. ACT! has three calendar views: daily, weekly, and monthly. You can also look at your tasks in a list view, and organize and filter tasks by date, type, or priority. ACT! keeps you informed with on-screen reminders, so you'll never forget an important appointment, phone call, or to-do.

ACT! helps you save time by automating the scheduling of frequently occurring multi-step processes, such as a sales process. You simply define the series by specifying the sequence and timing of tasks, and name and save the definition. You can then easily schedule all the activities in the series with a single action. ACT! automatically populates your calendar with all the activities based on the start date or end date you specify for the series. So nothing falls through the cracks.

Synchronization to Palm Powered™ Handhelds

ACT! addresses the needs of today's mobile users and provides extensive synchronization capabilities between ACT! 2000 and Palm Powered™ handhelds via its ACT! Link 2.0 software.

Palm Powered handhelds include Palm-branded devices, such as the Palm III, V, and VII, as well as, the Handspring Visor, the Sony Clie, and other devices running the Palm operating system.

ACT! Link 2.0 delivers the comprehensive synchronization of contact information that ACT! users need to manage their business relationships on the go, including notes, history, custom fields, group synchronization, and prioritization of to-do items.

Comprehensive sales process management

ACT! has redefined contact management with the addition of sales process management tools that help sales professionals turn prospects into customers. ACT! includes sales methodology and tips from the highly-respected Dale Carnegie Training® Sales Advantage course that guides sales representatives through the phases of developing long-term, profitable relationships with customers. You can create a graphic sales "funnel" to see quickly where all of your sales opportunities are in the sales process. Use it to view how many opportunities are near closing or to see how many new leads you need to work on. Combining the proven Dale Carnegie sales methodology with the powerful contact management software of ACT! enables professional salespeople to build winning, profitable, and ongoing relationships with customers.

Easy communication with contacts

ACT! includes a variety of instant letters, memos, proposals, and faxes that you can use to communicate with your contacts. Simply select one of the ready-to-use document templates and print or email it. Or you can fax it using integrated links to WinFax PRO or Microsoft Fax. Creating customized original documents is a snap using Microsoft Word® or the ACT! word processor. It's as simple as writing the letter template and selecting those contact fields to be merged, such as name, address, and product. Then using the ACT! Mail Merge feature, one click sends these personalized letters, faxes, or email messages to selected contacts. ACT! automatically records all communications it sends in the contact's history so you can easily review it later. You can also attach all communications directly to the contact record so you can retrieve them instantly when you need them.

Internet services

ACT! includes Internet links that enable you to use the Internet to help you manage your business contacts most effectively. For example, if you are going to visit a new client, simply select the Profile tab and click on Directions and select the contact you are going to visit. ACT! retrieves driving directions and delivers them into ACT! in the Profile Tab right below the contact record. You can then store this contact information to the specific contact record. Additionally, ACT! can deliver contact-sensitive news, weather, and other Internet information directly into ACT! for any specific contact. ACT! also integrates with all Internet email packages that are SMTP/POP3 compliant, the standard used by most Internet service providers.

Telephone integration

ACT! integrates easily with telephony systems to provide such features as automatic telephone dialing and call logging. In addition, using telephone Caller ID, ACT! can automatically pull up contact information, so you are fully prepared to answer incoming calls.

Comprehensive reporting capability

ACT! includes a number of ready-to-use report formats, such as task lists and telephone directories, to help you organize your day. You can also create business reports that summarize such important items as contact history and contact activities, and you can generate informative and great-looking sales reports. ACT! includes several predefined reports that can be used "as is" or customized to meet your specific needs.

Team coordination

You can share contact databases with your co-workers or team members over the network to coordinate your activities. ACT! shields your information with three levels of access security to protect it from unauthorized access. You can send contact information to co-workers via email, and you can synchronize your contact database with others, even with mobile users.

Fully customizable

You can tailor ACT! to match the way you conduct business. You can customize the database, adding fields for those specific items you want to track and organizing the data in the way that is most efficient for you. You can customize screen layouts to create the look and feel you want, ranging from simply adding your corporate logo to the background of all views, to custom tailoring every view individually. You can customize the icon bar and menus for maximum efficiency. And you can create macros to automate repetitive tasks and save time.

Relationship to other solutions

ACT! is designed specifically for contact management. As such, its architecture and feature set differ significantly from Personal Information Managers (PIMs), and from collaboration and communication solutions. Because of these differences, ACT! provides a far more effective solution for managing contacts.

More capable than PIMs

ACT! differs from PIMs in two major ways:

- **Built on a powerful, contact-centric database.** ACT! is built around a database that is contact-centric, that is, it links all interaction activities and information to the contact record. PIMs, on the other hand, are typically built on flat file structures that are intended primarily to store personal information such as addresses and telephone numbers. They do not have the extensive linking capability of ACT!.
- **Far richer contact management functionality.** ACT! has many features designed specifically to maximize contact management effectiveness. These include extensive contact tracking, tight integration of all activities and information related to each contact, and comprehensive reporting. PIMs are designed primarily to manage personal information and do not have nearly as rich contact management functionality. As a result of these significant differences, PIMs do not approach the extensive contact management capabilities of ACT!.

Complementary to collaboration and communication solutions

ACT! differs from collaboration and communication solutions, specifically Outlook, in two key areas:

- **Focus on contact management.** ACT! is designed primarily to help individuals and small groups manage their contacts outside the organization more effectively. Outlook, on the other hand, is designed primarily to help internal groups collaborate and communicate with each other more effectively.
- **Future direction.** Outlook's horizontal nature means its feature set overlaps somewhat with ACT!. The two products, however, are headed in different directions. Interact's future direction for ACT! includes evolving the product's contact management capabilities in two major areas: enhanced functionality for sales professionals and additional functionality for small business people. Microsoft's future direction for Outlook is to increase its utility as a horizontal tool to enable internally-focused groups to collaborate and communicate more effectively.

In view of these differences, ACT! is an attractive complement to collaboration and communication solutions rather than a competing solution.

ACT! and Outlook working together

Because of the synergy of ACT! with collaboration and communication solutions, Interact Commerce has formed a strategic alliance with Microsoft to integrate the powerful collaboration and communication capabilities of Outlook with the extensive contact management features of ACT!.

ACT! provides seamless integration with Microsoft Outlook calendars. You can view activities that have been scheduled in Outlook from within ACT! and view ACT! activities in Outlook. This allows you to use Outlook for e-mail and scheduling of some activities, and use ACT! as your contact manager. For example, while at a customer's site, you may wish to schedule a follow up meeting in ACT!. When you return to the office, you can update your Outlook calendar directly from ACT!—with a simple mouse click. You can then use Outlook to generate an email meeting notice to inform the meeting attendees of the meeting time and place.

As another example of combining ACT! and Outlook, your company may use Outlook for e-mail and scheduling, but the sales department has standardized on ACT! for contact management. Now both groups can use the application that works best for their needs and still share calendars.

ACT! and enterprise CRM comparison

Like ACT!, enterprise CRM solutions like SalesLogix® help businesses build and manage customer relationships. Beyond that, however, lie several major differences. And determining the best solution often depends on how you manage your business.

Where enterprise CRM solutions manage by accounts (with multiple contacts at each account or company), ACT! manages by contact. And there is often little, if any, affiliation between contacts. Because of these powerful contact management capabilities, ACT! lends itself especially well to individuals and small workgroups—people who, in addition to sales, often handle support and marketing efforts.

Enterprise CRM solutions, on the other hand, support the sales, marketing, and support functions of an entire company—one where multiple users and teams require access to the same customer information.

Because of its autonomous nature, ACT! has a great appeal to contact-based workers that want to have the control and simplicity that comes with a contact manager. For corporations, it allows you to introduce technology to your employees at a manageable pace with a high individual return on investment (ROI) so that users will accept it and make it a part of their everyday lives. That way, on a relatively small budget, your company can work on understanding processes and, should you require it, set up the future movement to a full CRM system while enhancing near term productivity.

While the number of users is not an absolute measure of which product to use, ACT! typically can be used to share a single database with teams up to around 10 users before it makes sense to move up to a CRM product like SalesLogix. Although, it is important to note that many large corporations have thousands of ACT! users, since their people work mainly in an independent fashion.

The good news is that when you start with ACT! and see your needs grow, you have a great migration path to the most widely used CRM product in the mid-market, SalesLogix. Since the interface of SalesLogix borrows many design elements from ACT! (after all, we created both) and has an easy data migration tool that is provided to migrate ACT! contacts to SalesLogix, you have the comfort of knowing that you have investment protection with your purchase and usage of ACT!, no matter where your business takes you.

How ACT! can help grow a business

Whether you're a sales professional, the owner of a small business, a consultant, or other externally focused professional, ACT! can help you work more effectively in a variety of ways:

- **It gives you instant access to complete contact information—from addresses, phone numbers, and birthdays, to a comprehensive record of every interaction**
- **It helps you manage your contacts more effectively, including guidance from Dale Carnegie Training in managing the sales process**
- **It makes it easier to communicate with prospects and customers—whether you want to contact them by telephone, mail, email, or fax**
- **It helps you analyze, understand, and report the state of your business**
- **It brings the world of Internet technology to your customer database**

With ACT!, you'll get more done every day and you'll present a more organized and professional image to clients and prospects. The result is you'll build more, longer-lasting business relationships. And that's the key to growing your business.

Conclusions

Contact managers were designed originally as powerful tools for sales professionals. However, as contact managers such as ACT! have grown in popularity and capability, their value has become apparent to a much wider audience. That's because contact manager help people manage their business relationships more effectively, whether they're sales representatives or other business professionals. And effective management of relationships is the key to growing a business.

Interact Commerce recognizes the enormous potential of contact management software to help business professionals across a wide variety of business functions and industries grow their businesses. That's why it intends to expand the scope of ACT! continually by adding features that are appropriate for a variety of professionals and small businesses in additional market segments. Of course, the company will also continue to enhance the product with features to maintain its industry-leading position in the sales area. In addition, Interact will continue to build on its close relationship with Microsoft to provider tighter integration between ACT! and Outlook.

Having pioneered contact management software, Interact Commerce understands the requirements for comprehensive contact management. With ACT!, Interact provides a world-class solution that meets these requirements, and then some. That's why ACT! maintains its industry-leading position in contact management software and is continually lauded by industry analysts, press, and its loyal users around the world.

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