



What's Similar or Different About Using PRM Versus CRM for **Partner Management**?



PRM and CRM: Fundamental differences and similarities

The acronym PRM stands for **partner relationship management**; CRM stands for **customer relationship management**. PRM and CRM are quite similar in nature, both architecturally and in terms of their functionality. However, there are some fundamental differences between the two types of platforms. Let's begin by discussing some of the similarities between PRM and CRM, and then we will discuss the differences between the two.

“ Channel management is complex, and organizations trying to conduct business at the speed of digital need an end-to-end integrated platform that is purpose-built, affordable and globally supported to truly make it easy for partners to do business with them. ”





Core Differences between PRM and CRM

With the similarities in mind, let's now focus on what's different between CRM and PRM platforms:

1. Purpose-built -

A CRM system is, by definition, designed for customer relationship management, so in most cases the way accounts are set up is designed for a direct sales team to prospect, sell and grow existing end-customer accounts directly. On the other hand, PRMs are built for partner relationship management and the structure, workflow, applications, etc. are all designed for partner network management or channel management. Architecturally the two systems have a number of similarities, but functionally they are two very different applications.

2. Pricing -

Most CRM solutions are sold with per-user, seat-based licensing. This doesn't work nearly as well in the partner management universe, simply because it is very hard, if not impossible, to predict utilization rates. If an organization pays too much to provide user licenses to all of their partners, they may end up wasting a lot of money unnecessarily; on the other hand, if the organization doesn't buy enough licenses and too many partners start using the product, they

may get a rude awakening when the bills start coming in later on. This is why it is essential to procure PRM licenses for unlimited use, so that an organization is not taking unnecessary risks either way. If you are considering investing in a PRM system, look for providers like ZINFI who provide a very affordable unlimited usage model.

“ While PRMs are similar to CRMs technically, the value proposition they offer represents a very different, more viable alternative to deploying CRM platforms for partner management. A PRM system can also reduce cost and complexity on the organization side to provide a tangible return on channel management investment. ”

3. Global support -

While most large CRM providers provide global support, they generally support only the product and provide very little deployment or domain-specific knowledge. This is where leading PRM providers, like ZINFI, can provide tailor-made global support via a channel marketing concierge solution that can ensure deployment, adoption and utilization of PRM solutions is significantly higher than what you would normally get with CRM.

4. Integrated solutions -

CRM is one of the most horizontal products that exists, and that's why the market has grown nearly to the \$30 billion level. Once a CRM is deployed, though, major workflow customization is required, and if an organization wants to add additional functionalities, they will either have to build them by using professional services resources (usually expensive) or procure additional applications from the marketplace. This adds quite a bit of complexity and cost to the overall CRM deployment, and as a result most CRMs are not utilized to their fullest extent. PRMs, on the other hand, are purpose-built and come with all of the necessary applications needed for partner relationship management. As a result, PRMs tend to be very easy to use, and rates of deployment and partner adoption happen faster.

5. Total cost of ownership -

When you combine the differences in numbers one through four above, it is clear that PRM has a significantly lower total cost of ownership (TCO) than CRM, because of its lower licensing costs, integrated purpose-built application suite (with no additional cost surprise down the road) and global support to drive adoption of PRM across the larger partner user base.

I hope that I have been able to clearly show you that while PRMs are similar to CRMs technically, the value proposition they offer represents a very different, more viable alternative to deploying CRM platforms for partner management. Channel management is complex, and

organizations trying to conduct business at the speed of digital need an end-to-end integrated platform that is purpose-built, affordable and globally supported to truly make it easy for partners to do business with them. A PRM system can also reduce cost and complexity on the organization side to provide a tangible return on channel management investment.

If you want to learn more, please go to zinfo.com.



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