

Client Study: **Nortel Networks**



INDUSTRY: CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

**“New Business Strategies helped us create a winning vision and durable positioning that worked and stood up over time.”**

—Kirsten Berg-Painter,  
Senior Vice President of  
Worldwide Marketing,  
Clarify

Plenty of changes were the order of business for Clarify Inc. -- a paradigm shift from client/server to eBusiness customer relationship management (CRM) and acquisition proceedings by Nortel Networks. The radical shifts created a dire need for redefined market strategy and a jumpstart education for the new parent company.

Prior to being acquired by Nortel Networks, Clarify held the number two spot in the CRM market, garnering \$750 million in revenue and 16 percent total market share. Their software solution Clarify eFrontOffice helps companies attract, manage and retain customers and maintain those relationships over the full customer life cycle.

In 1999, Internet and communications giant Nortel Networks was aggressively seeking ownership of the eBusiness sector and eyed Clarify as a key fit bringing both proven technology and a flagship customer base. They recognized the merits of CRM and moved to acquire. For Clarify, a company of 700 employees, that double whammy caused casualties and required prompt, extensive changes to the strategy to make sure no momentum was lost.

### **In The Beginning**

When former Clarify Senior Vice President of Worldwide Marketing Kirsten Berg-Painter started in that post a few years back, she found that “there was no product strategy, no marketing strategy, nothing. The staff was solely focused on day-to-day tactics. I had to build the strategy, build a team and execute the strategy. Even if we worked 120 hours a week, we wouldn’t be able to do it all alone.”

Enter New Business Strategies. “They helped us create a winning vision and durable positioning that worked and stood up over time.”

“Strategy is not a static event -- it is organic and ongoing,” said Berg-Painter. “When the Nortel Networks acquisition was underway, New Business Strategies helped us re-craft and redesign our market strategy and create a framework and processes that kept execution flexible. They also provided the tools to move forward with an intelligent methodology. Simply put, they delivered.” said Berg-Painter.

At the time, one of the other things New Business Strategies did was to start developing positioning for the next generation of eFrontOffice software. In addition to product changes, the Clarify name would also be going away and the group would fold into Nortel Networks’ eBusiness Solutions group. Adding the telecommunications solutions vision would also play a part in positioning.

### **Finding Clarity**

One of the complications in the CRM market is that it is known by many different names: CRM, front office, customer interaction and enterprise relationship management (ERM).

So, New Business Strategies assessed emerging trends in all of these markets, plus telecommunications and tangential markets. “They provided an outstanding competitive roadmap that told us who the players were, what they were up to, who they were partnering with, what they were buying and bringing to market,” said Berg-Painter. “New Business Strategies’ research is so extensive, they came back to us with new information and lucid assessments of where our competitors were going and what we needed to do about it.”

## Outsourced Market Intelligence

"New Business Strategies has the ability to step back and look at our markets from a higher level," added Susan MacCall, former Director of Strategic Marketing for Nortel Networks' eBusiness Solutions division. "Having them handle our market intelligence requirements turned out to be a high value add for us. They provided us with dozens of deliverables including monthly news analysis of our top competitors. Industry news filters out every day, but it's striking how New Business Strategies collects relevant company or product news, compiles it in one place and then assesses where the competition could be headed. They make some very thoughtful assumptions about key parameters based on what competitors are doing rather than just by looking at it from a product, feature, function point of view," said MacCall.

Something unique to New Business Strategies Market Intelligence Services is their competitive "chessboards," which literally show competitors' moves as they relate to the client's -- just like on a chessboard. The various squares may represent different vertical markets or various elements of a particular market. "That's something none of us has time to do internally, but it's really helpful to visually see how the market will probably change over the next two or three years, where we have holes and what moves we can make to protect ourselves," noted MacCall.

"Another useful tool New Business Strategies provides is a quarterly '101' series, which is a three to six-page brief that gives an overview to a specific market segment," said MacCall. "It was actually borne from the merger, when we started receiving hundreds of calls from Nortel employees asking a wide range of questions about Clarify's market. These documents offer a quick and easy way to educate a number of different audiences with a need to know."

Both MacCall and Berg-Painter agree that they share a huge trust factor in New Business Strategies' ability to keep a step ahead of their market and focus on Nortel Networks' mind share and competitors. "From a thought leadership and marketing air war standpoint, we have a lot more competitors than we do on paper. We want to continue to move more aggressively in eBusiness and, we need to know what other types of industries are coming up and what they're doing," said MacCall. "New Business Strategies helps us achieve that."

## Truly Custom Strategy

"New Business Strategies' brand of strategy is always pragmatic," said Berg-Painter. "It's the kind of strategy that you can actually execute. That sounds so simple, but through the years, I've worked with so many consulting firms who either simply listen to what you say, repackage it and then charge you for it; or they come up with great strategy that's absolutely impossible to implement within our budget. New Business Strategies has the knowledge, industry experience and the tenacity to keep digging deeper through research to create and deliver innovative, prioritized, feasible strategy," she added.

The work for Nortel Networks was to lay the foundation for the future. New Business Strategies President Christine Crandell says, "this account really showcases our Firm's flexibility -- we can change course aggressively and effectively when turning on a dime isn't fast enough! The Nortel acquisition brought on tremendous changes that most companies will never experience. Our deep domain knowledge and industry connections in a variety of technologies allow us to make estimates about the future market landscape and climate and the competitions' probable courses. And that strategic understanding enables us to create a set of initiatives that push our clients into the dominant position."

As Nortel Networks moves forward into the eBusiness sector, they are looking closely at expanding capabilities in personalization, eFulfillment and eMarketplaces, and New Business Strategies continues to lend guidance to the strategy. "Anyone here who comes into contact with the people at New Business Strategies wants more of them. There's no doubt about their importance to our success," summed up MacCall.

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We listen. We craft. We deliver.

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