

Internet & Technology

Q & A

CEO: Clarify Is Clearly Better Fit At Amdocs

Formerly Part Of Nortel

Dror Pockard say firm is focusing on customers in finance, manufacturing

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INVESTOR'S BUSINESS DAILY

The Clarify brand of customer relationship management software has followed a zigzag path in recent years. Yet Dror Pockard, president of the Amdocs ClarifyCRM unit, says his team is finally moving forward in a straight line.

Clarify was independent through the 1990s, when it became one of the elite CRM firms, second in sales only to Siebel Systems Inc.

In late 1999, Clarify was sold to Nortel Networks Corp. for \$2.1 billion. But Nortel's fortunes soon waned as overcapacity destroyed demand for the telecom and network gear industries.

When Amdocs Ltd. bought Clarify from Nortel in November 2001, it paid just \$200 million. Pockard became CEO at that time.

Since then, Amdocs has worked to integrate Clarify into its mix of software and services for billing and orders. In March, Amdocs expanded its scope by acquiring Exchange Applications Inc., maker of Xchange marketing automation products.

Pockard recently spoke with IBD to clarify what's happening at Clarify.

IBD: Why is Clarify a better fit for Amdocs than for Nortel?

Pockard: First of all, it enables us to provide an end-to-end solution. It gives us front- and back-end integration, especially in our core

market for telecom firms.

The operational back end was always a strong part for us in the past. Amdocs software handles the steps from order management to fulfillment. Clarify is a natural fit because it runs customer service, customer management, sales and marketing. It provides analytical solutions and marketing information . . . that can be connected to the back end.

IBD: As you note, Amdocs is focused on telecom clients. Isn't such specialization a hindrance against broad CRM suite rivals such as Siebel or PeopleSoft Inc.?

Pockard: We are not competing in a game of who covers more vertical industries. We are a great believer in real vertical solutions with lots of in-depth functionality designed into products. That's why Amdocs is extremely strong in the markets for telecom and phone directory companies.

Clarify is a strong addition in several verticals (in the areas of) manufacturing and financial services. And we'll be adding more verticals as part of our Clarify offering. But we're not . . . trying to provide a shallow vertical offering for almost every sector.

IBD: How does the recent acquisition of the Xchange line improve your CRM market presence?

Pockard: Xchange is a very important addition to our offerings. We already had a strong analytic component, but now we have the ability to do campaign management and campaign execution with real-time analytics that provide greater information. We see it as something that completes the puzzle around marketing automation tools.

IBD: What exactly does marketing automation involve?

Dror Pockard



■ President, ClarifyCRM division, Amdocs Ltd.

■ 41 years old

■ B.A., management and economics, MBA, Tel Aviv University

Pockard: It's extremely important to get the most out of your (top) customers, especially in financial services and telecom, which involve complex marketing campaigns.

Xchange provides targeted campaigns to specific groups of clients. It enables a company to identify the exact combination of products and services to market to its existing customer base and prospective leads. This is the campaign.

You can define very broad or very targeted campaigns. And you can actually manage activities with the client over different sales channels and adjust the campaign accordingly in real time.

IBD: Now Microsoft is pushing into the CRM midmarket. Will that shake things up for you?

Pockard: To the contrary. The fact that Microsoft has joined the market brings great credibility that CRM is alive and kicking, and that it's a very important solution for customers. Such a notable competitor is good for the market.

But I see us operating in a different range, among large global customers in our vertical areas. Microsoft is more focused on the mid-market and general solutions, not any specific verticals.

IBD: Clarify has enabled its core products to run over the Web, but much of your other software still

runs on a client-server architecture. Why so slow to make the change?

Pockard: We have a full-blown Web architecture release, version 12, that's due in June.

However, we do believe that clients who invested in an older client-server environment have already made a great investment.

So we provide co-existence between the two platforms.

This lets those clients make a more gradual transition in order to save money.

IBD: The CRM field has seen a lot of ups and downs in recent years. What can vendors do to improve their credibility in the eyes of buyers?

Pockard: The most important thing is that we take responsibility for the products that we deliver. We need to understand that CRM is not just a product; it's an overall solution to a business problem. Therefore, vendors need to work with clients to ensure their success. We have to make sure that clients get a real return on investment from our products.

Too many CRM firms over-promised and underdelivered during the bubble years. We want to help our clients answer real questions, cut costs, increase ROI and find and serve their most valuable customers.

IBD: Can you give an example of a client that you helped?

Pockard: Rockwell Automation measured a 30% to 80% increase in its ability to answer customer questions effectively the first time, thanks to our software more intelligently routing their service queries. As a result, the company believes that its call centers can now handle 20% to 30% more volume without increasing their head counts.