Incarni Partners

Strategies for implementing

TABLE OF CONTENTS

STRATEGIES FOR IMPLEMENTING

Every once in a while a piece of technology so completely revolutionizes how we do something that we nearly forget how we ever got by without it.

Well, the same is true of customer relationship management. Though this sounds like something businesses have been doing for centuries, the term "customer relationship management" actually refers to a category of software that is specifically designed to organize and automate sales, marketing and customer service. It's more economically known as CRM, and it's fast becoming the technology solution that businesses big and small can't do without.

Big companies have been using CRM solutions for decades. They spend millions on them in the hopes of identifying and pursuing sales leads, improving customer retention, refining marketing efforts, and serving customers better. But many articles have been written about how these big CRM implementations have gone horribly wrong. How the software didn't integrate properly with existing databases. How it was too complex to implement and use or how end users failed to adopt the new software.

Fortunately, the risks and costs associated with adopting CRM technology for small businesses are far smaller. In fact, many small-business are turning to cloud based (Internet-based solutions) solutions which charge users a monthly subscription fee rather than requiring a huge outlay of capital up front, thanks to the pioneering service offered by Salesforce.com. But even though these online services allow you to dip a toe in the CRM waters, there are many other steps a small business must take to make good on its CRM investment.

CHOOSE WISELY

Managing customer relationships can be a daunting task but also a very rewarding one is you choose to use the proper CRM solution. CRM comes in many shapes and sizes, and there are thousands of services tailored to specific types of companies. It's important to choose a solution that is best for your business. The CRM solution you choose can be the tool you use to set and measure sales goals, devise, deliver and track e-mail marketing campaigns up through and including interfacing with your social media accounts. By having everyone –sales, marketing, and customer service– on the same page your company becomes more efficient (and hopefully more profitable) by matching customer needs with company offerings.

CRM systems become that single version of the truth –you know who your customers are, what products and services they bought from you, and what products and services they might be interested in going forward

USE IT AND RUN YOUR BUSINESS WITH IT

The number one failure of CRM implementations is not convincing staff to use them. These can be very powerful tools, but they take advantage of what's called the "network multiplier effect," which is a fancy way of saying that the more people use them, the more valuable they become. Actively encourage all employees to contribute to the data and use the analyses to their benefit.

Use a top-down approach whereby management sets the example in using the tool and adopts it enthusiastically. Create a "CRM Champion," someone who is the go-to employee (not the boss) who really understands the system. Further, offer rewards and incentives to help employees overcome the fear and concern of learning the new system.

Develop a list of functionality that is important both to management and the business users and work to meld together the requirements and benefits for both groups while controlling scope. Limiting the initial scope and functionality can actually increase user adoption. Set realistic expectations and clearly communicate the CRM project objectives.

DRIVE CUSTOMER SATISFACTION

While CRM technology yields insight into customer spending and product demand, it also drives satisfaction levels. Poor customer service is the top reason customers switch service providers. When employees have a clear understanding of all customer interactions, it helps build credibility with your customers. Rather than ask the customer when they last purchased a specific item, employees can retrieve the necessary information from the customer's contact history in the software. CRM tools create institutional memory beyond the most recent customer interaction and are a proven method for you to differentiate yourself through outstanding customer service. A good CRM tool will protect your customer base and build consumer loyalty.

A good CRM system can also help you identify your most profitable customers. You may think you already know who they are. The common assumption is that the most profitable customers are the ones who buy the most. But picture one of those "strategic accounts" for just a minute. If one of your top sales reps spends 10 hours a week on that one account, if the buyer is always demanding discounts, if the users are constantly tying up your customer service center with requests—just how profitable can that account really be?

QUALITY IN, QUALITY OUT

Data is the fuel that drives organizational marketing and sales strategies. It guides decision making and determines the types of products or services businesses offer their customers. For many companies, customer data is stored among a wide variety of applications and unfortunately, these databases are not always accurate, up-to-date, or synchronized -- a situation which compromises data quality. By taking steps to improve quality, a company can be assured that the data they use to make critical strategic and tactical sales and marketing decisions are accurate.

It is common knowledge that 80 percent of a company's profits and revenues come from just 20 percent of its customers. Consider what happens when the data or information about those customers is wrong. The company is likely targeting the wrong customers or trying to sell them the wrong products or services. Critical customer service mistakes like these can greatly reduce top line revenues.

When a company does its homework in cleansing the data and organizing it into a common data repository with a standardized data model, the top-line impact can be startling. It becomes information the company can act upon, giving them a clear understanding of the true value of each client. They will clearly see each customer's history, their buying patterns, profit margins, and how they prefer to interact with the company.

 Once a company achieves this level of data quality, they can begin to obtain valuable insights, such as which customers generate the most and the least revenue, which have the potential to become better customers, and which are not worth the effort. The company can then determine the best ways to interact with each customer, the frequency of contact and the type of contact, whether through a direct sales person, call center or e-mail campaigns.

PROTECT AND SECURE

Nothing undermines the usefulness of a CRM implementation faster than a security breach. This is customer information you're collecting here. Treat it like gold. Take all security precautions recommended by the software, and double-check the security of your network. After all, if your customers don't think you can be trusted with their personal information, they won't be your customers for long.

BUILD YOUR CRM STRATEGY

These solutions require constant care and feeding. They must be updated. Their data must be scrubbed (meaning old, inaccurate data must be removed). And they should follow a regular upgrade path to ensure maximum performance. CRM technology by itself does not improve revenue and profitability, though.

Nor does the data stored within the CRM system. Instead, CRM is more so a business strategy built upon instilling a customer-centric culture and promoting customer loyalty and satisfaction. Firms with a comprehensive CRM strategy that is tightly intertwined with an overall corporate strategic vision are able to more effectively respond and adapt to competitive threats, economic pressures, and market and industry trends. As your corporate strategy and goals shift and change so should your CRM implementation.

CONCLUSION

It's easy to make small, incremental investments in CRM' and they often deliver very fast return on your investment. If you're already using a CRM system, you can gain additional value quickly by turning on new modules. For example, you can create, launch and track marketing campaigns inside most CRM systems, and that marketing module can typically be up and running in a couple of weeks

The benefits of CRM are clearly not just short-term. Anything you do to better understand your customers and enhance your relationships can also lead to long-term growth and health for your company, long after the economy—and your business—rebounds.

ABOUT INCARNI PARTNERS

Incarni Partners was founded by former Siebel Systems veterans, with over 20 years experience working with mid-market and enterprise customers who were looking to deploy CRM solutions. Incarni Partners understands there are many factors that determine the success or failure of a CRM project and too many consulting firms believe CRM is a technology only solution and fail to address the other important aspects of the projects. At Incarni Partners, we clearly understand all the key issues that need to be addressed in order to have a successful CRM project.

Our team is more than a number of expert business and technology professionals. We are a network of skilled professionals recognized for their ability to easily work with and integrate into a company's culture as they lead, implement and manage complex projects. Our skills and experience add significant business value and drive innovative solutions that facilitate change and growth.