CRM and Your Business

A Jargon-Free Guide to How CRM Can Help Your Business

POWER TO RUN YOUR BUSINESS

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CRM, Customer Relationship Management, and more particularly the technologies involved in delivering it has caused more confusion than any other technology that has been available in the market for so long. Survey after survey shows that for the majority of companies, the awareness of the technology exists but the confusion persists as to how *precisely* it benefits the user and his or her customer.

But the truth is that the benefits of these solutions are not hard to understand and reasonably easy to realise. Indeed those that have worked with a successful CRM installation are usually converts that find it very difficult to work without one when moving to another company and are keen to bring a solution with them. So what is it that they are so keen to take with them?

This short guide is intended to explain the jargon-free business benefits that a modest investment in CRM will bring. And we use the term CRM to describe an umbrella of tools, techniques and technologies that deal with the interactions of a company and its customers and how these interactions are dealt with internally.

The systems available for the smallest company to the largest are now extremely good, robust, and mature if delivered by the right people with the right skills and with the correct level of engagement by the purchasing company. It is important to point out that not all CRM systems will contain all of the following features; depending on which elements are most important to your situation it is important to engage with a vendor or partner company to get the right system and deploy it the right way.

To speak to someone at Sage about what solution may be right for you, call 0845 111 99 88.

Working as a Team

The first benefit that many companies realise is the level of co-ordination that introducing a universal customer management system affords. For managers there is a view of the activity of their whole group and the ability to drill into the activities of teams and individuals. For those individuals there is the ability to view the activities of colleagues. They can see their history with a customer, current deals being worked or a view on any recent service queries, complaints, credit issues – basically the opportunity to work as a co-ordinated unit which will result in less wasted effort and better service and happier customers.

Putting a Structure on the Working World

A frequent complaint in many organisations is that they have as many processes for dealing with sales, marketing and services as they have employees. Each individual has their way of working and often it is a case of hoping there is a positive outcome at the end.

CRM offers the opportunity to bring a common workflow and order of activity to bear. This does not have to stifle the individual but it does bring a structure. So, for example, one might build in a six-stage sales process and enforce rules that have to be complied with in order to progress a sales opportunity. All of these stages can be coded into the CRM system to ensure compliance and the only way to progress an opportunity is to comply with the rules your company has built into the system. This allows management to see how many deals there are at what stage and therefore proper measurement of a sales pipeline. If it can be measured it can be managed.

Improving an Individual's Productivity

A new system is only useful if there are perceived benefits for the individual actually using it. The opposite is also true. A system introduced by *diktat* where the perception is that this is only useful for collective benefits but actually adds a bureaucratic layer for the individual will fail. This is a frequent complaint about poorly managed CRM implementations; the effort to benefits analysis falls in favour of the effort and there are few perceived benefits for the user. This leads to users by-passing the system and consequent gaps in the information held and ultimately a failed CRM initiative.

This is easily avoided. No one, for example, complains that email makes his or her job harder. Quite the reverse. The same can also be realised in a well set-up CRM system.

Some areas where CRM can help an individual perform can include:

- **Diary Management:** Build a daily diary of meeting or calls that provides a single click link to all historical information on each contact including; a record of emails sent and received, notes on previous calls, attachments of previous letters, contracts and transactions between companies. It is also of course possible to hide sensitive information from the view of every employee where inappropriate. Developing a complete picture of the person your company is contacting avoids those embarrassing calls where a salesman tries to sell to a company currently in dispute. Nothing will kill the sale, and future sales, quicker than that.

- **Call Lists:** Need to build a call list? Why not select criteria for the list (all contacts not contacted in 5 months for example) and have it automatically build a list in the diary. A manager can do this and assign the list at a click to all his or her direct reports by any criteria.
- **Eliminating Spreadsheets:** Spreadsheets are great. Managing them is a nightmare. Trying to record call numbers or prospects or contact lists in Excel is a great quick fix but quickly the user has dozens of sheets of varying quality in numerous folders. All this information can be recorded, stored, manipulated, imported, exported, aged and kept up to date through pulling the information from CRM. And it is just as easy to use. Even if a user is addicted to manipulating spreadsheets this can either be replicated in CRM but with actual live information as opposed to a static list. Where it simply has to be Excel, export the list, manipulate it and simply re-import either as a live list or store as a static document.

Stop Wasting a Company's Time

How much time is taken in any organisation in what can be called "search"? It might be time spent in locating a relevant document relating to a contact, or the right address for billing and not shipping. Perhaps time is spent trying to talk to the only person in your company familiar with a client's situation.

At its simplest, bringing in a CRM system will prove a company with a repository of every important contact, document, phone call, and email relevant to a particular company. It's a one button click to choose to associate any of these with a company or save an email. Importantly you don't have to save everything so you are not overwhelmed with information. This will help eliminate the time wasted on "search"; allowing more time actually dealing with prospects and customers.

Another often cited elimination of waste is the repetitive task of business reporting. Very often the same tasks of collating information from multiple sources is pulled together by sales people, service reps, and marketing staff. Very often the administration is so time-consuming that reporting does not happen at all or is so late as to be irrelevant.

Reporting, assuming the basic information is being entered regularly, is a simple process with CRM. Pre-designed reports can be run as often as required allowing for proper consistency of data (complaints handled per employee for example, or the pipeline of an individual salesperson might be another). The data need only be entered once when relevant and the collation of the data into useful reports are handled by the underlying CRM system based on the parameters set by the company. Reports are real time, comprehensive and dynamic.

Knowing When the Target is in Trouble and Why

Ask any manager his number one frustration and most likely it's forecasting and targeting. It is a far from exact science yet we have to plan the budgeting of our businesses around it. Nothing makes this process exact but what makes it at least predictable is timely information. What a good CRM system will provide you is a collective "roll-up" and view of each quote whether that quota is held by an individual, a branch, a unit, whatever way an organisation is set up to report on numbers. One important note is that this is not a replacement for a financial system. This can be integrated but a finance system looks, by definition, at historical, committed data.

For forecasting there is an element of forward looking – what a person *thinks* will be the likely sales over a period. A CRM system will allow a sales manager to adjust these numbers based on his or her belief of the likelihood of closing, the stage of various deals (this can be automated), historical trends, knowledge of an individual's tendency to be optimistic or pessimistic. Adjusting for all these factors allows a manager to arrive at a committed, dynamic number that can be reported to the business as a whole.

Marketing to the Right People from Lists that Work

Awareness of CRM as a marketing tool is increasing. At a very basic level, CRM sits over a database and therefore allows the manipulation of data within that database based on the selections of a user. In other words the intelligent building of marketing lists. If that was all it did, that would be nice but hardly a compelling reason to buy.

However CRM systems allow for much more. Data can be created in a system or more likely, imported from an external source. Cleverly this does not have to be committed to the full system therefore filling your CRM with data that may or may not be useful. It can be stored in a "holding area" often called leads or prospects. This data can then be selected by any criteria – region, size etc. Let's call this a *campaign*. Many systems can then compile and send an HTML mail to the list for an online campaign and then record the responses and create a call list from this. Once converted to a real opportunity it can then be committed to the full CRM system. For a traditional offline campaign, data can be exported and provided to a fulfilment house, and the record of this intention recorded in the normal fashion.

The cost and return to the campaign can be stored against the campaign to a micro-level (i.e. by each element of a campaign) so the actual return on investment can be captured, a vital element so often missing in marketing reporting.

"As you discussed with my colleague…" The Power of Corporate Memory

In every company employee turnover is a challenge. Apart from the replacement and other associated costs, an underestimated disruption is just how many of your company's relationships with customers are walking out with the employee?

The introduction of a properly structured and easily administered system described already in this document minimises this risk. You cannot replace a personal relationship but very often in a b2c environment the ability of the company to retain and retrieve relevant information and the customer is of higher importance. In a more personalised relationship of key account management, while it is not possible to retain the unique dynamic of a relationship at least one can replicate the history of the account and pass all key data on to the replacement key account manager.

Open Up Your Company

Certain CRM systems can actually provide direct access to your company through what are often called gateway or portal technology. This is a grand description for a fairly simple but very useful concept where parts of the CRM system are put online so that external users, partners for example, can directly input information onto the CRM system.

Think of a customer service environment where partners or customers might want to log service requests with a company. Typically they phone a number, someone internally then records the nature of the request into a CRM system. Then if the external wants a progress report they call the number again, give a reference number and the internal looks up the system and reads the progress status back.

Imagine then a situation where the ability to record this request is directly exposed to an external. There is no security risk as it is only a tiny subset of the CRM system. The request is entered, a reference number generated and the external can log in at any time to see the status which is always up to date as it is the same system used inside and out.

This ability can typically be extended to industries such as the distribution, customer service, professional services or education environments: essentially anywhere there is a manual interface to a system that is adding little value to the process. Indeed that person can often be retained to offer a second more valuable tier of service in terms of triage of requests or escalation, resulting in a better service for all involved.

Survey, Know, Respond

There is a school of thought that the most valuable time in the relationship between a company and its customers is directly after a service has been performed or transaction completed. Here the memory is freshest and in many cases, again typically in the consumer market, the only time a person feels like there is a relationship. This is a the key time to get feedback, to survey a customer in a non-obtrusive fashion and perhaps one of the few times they will be willing to provide the information, good or bad.

Modern CRM systems can provide the ability to send online surveys in the form of attractive HTML mails that will capture responses against the individual or company’s record in CRM, allowing you to build up a qualitative picture of relationships with individuals. Trends can be spotted in persistent areas of dissatisfaction, and allowing an action plan to be formulated. Consistent positive responses for an individual employee can be monitored and duly rewarded, while the opposite can also be tracked and actioned.

These tools can overcome the hurdle in large volume transaction enterprises where a common complaint is that it is too expensive or difficult to monitor “relationships”. Here, the only performance tracking is at the quantitative level with numbers of transactions conducted or service requests completed which are important in themselves (and of course can be recorded in CRM). But the surveying tools recorded in CRM enable this information to be enhanced with the vital but more elusive “feel good” element of surveying tools. This can be viewed on the micro level by individual company and as an overall benchmark of just how a company is perceived in its base.

Conclusion

This has been an outline of some of the areas where CRM typically helps business. There are many other papers, booklets and research notes in the field which give a function-by-function analysis of CRM. Others will describe the CRM philosophy which will generally tell you that technology is only an enabler to good customer management practice, which is true but not much use when you are about to make an investment in technology.

The scope of this has been to give a modest, digestible outline of some areas where CRM will almost certainly help your company. There are literally hundreds of other areas, large or small where CRM can help. Many are so specific to your company and how it does business that it is only with a thorough business process review that they will be discovered. To use a truism, the more you put in to a project the more you will get out. However, hopefully this is a starting point for thinking about what you can introduce to your company or whether your current CRM system is delivering what you need right now.

About Sage (UK) CRM Solutions

Sage provides CRM solutions to mid-sized enterprises, with 16 years' experience in the development of products that provide businesses with the ability to manage and report on all customer centred activity. There are over four million users of our CRM solutions, which can either stand alone or be fully integrated into existing systems, to give a single view of all customer and contact activity.

ACT! for Workgroups

Sage ACT! Professional for Workgroups is part of the best-selling global ACT! brand, and provides powerful contact and customer management solutions for small/medium-sized businesses.

Easy to set up and use it has all the features needed to get your sales and marketing in order – organising you, your contacts and your business.

Sage CRM MME

Sage CRM MME is an easy to use, fast to deploy, feature rich low cost of ownership CRM solution designed to introduce the real benefits of CRM to middle-sized companies.

Sage CRM MME aggregates individual and group efforts across sales, marketing and support teams making people and companies more efficient at their roles. Sage CRM MME delivers the tools entirely through a browser to take advantage of the huge efficiencies that the Internet offers in delivering business applications.

SalesLogix

SalesLogix is the Customer Relationship Management solution that enables small to medium-sized businesses to cultivate profitable customer relationships by increasing sales and marketing performance and maximising customer satisfaction and loyalty.

Designed to meet the distinct needs of small to medium-sized businesses, SalesLogix delivers integrated Sales, Marketing, Customer Service and Support automation solutions that adapt to your unique customer acquisition, retention and development processes.

SalesLogix provides a complete CRM solution with low cost of ownership, rapid time to productivity and high return on investment. Flexible and easy to use, SalesLogix readily accommodates growth and changing business requirements.

SalesLogix, the SMB CRM leader with more than 7000 customers worldwide, is part of the Sage family of integrated business management solutions.

To talk to us about how Sage CRM Solutions might help your company, call us on the dedicated CRM number

0845 111 99 88

or for ACT! call

0845 245 0276

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Sage (UK) Limited, CRM Solutions,
Sage House, Wharfedale Road, Winnersh,
Wokingham, Berkshire RG41 5RD

Tel: 0845 111 9988

Email: crm@sage.com

Web: www.sage.co.uk