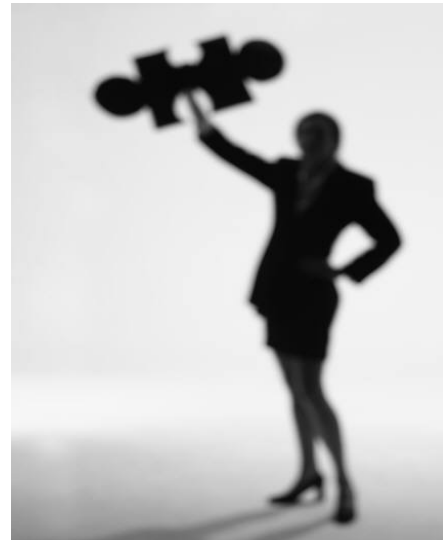




CRM and Your Business: an introductory guide

CRM (Customer Relationship Management) and more specifically its technologies has created more confusion than any virtually any other IT system available for several years.

Surveys continue to show that business owners and managers are frequently unsure exactly how CRM can benefit their organisation and make a positive impact on their performance.



The truth is the benefits of these solutions are not hard to understand and are reasonably easy to achieve. People who have worked with a successful CRM system quickly become reliant on the software and find it very difficult to work without it. If they move to another company they are keen to bring a solution with them. So what is it they are so keen to transfer?

This short introductory guide is intended to explain the jargon-free business benefits that even a modest investment in CRM would achieve. 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.

It is important to point out that not all CRM systems contain all of the features described in this guide. Depending on which elements are relevant to you it is important to engage with a CRM vendor or business partner like Preact to select the right CRM system and have it deployed in a way that's specific to your unique requirements.

To find out more please call us on 0800 381 1000 to see what CRM system is right for your business.

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Working as a team

The first benefit that businesses will typically achieve from CRM is an improved level of co-ordination. For managers there is a clear visibility of the activities for their team and the capability to drill-down to the activities of groups and individuals.

Individual users can easily view the activities of colleagues so there's no excuse for items getting missed or duplicated. CRM users can see the history with a customer, current deals being worked and even check outstanding service queries, sales opportunities and responses to the latest marketing activity.

By helping teams work as a co-ordinated unit, CRM enables business tighten their process and deliver better service to control costs and drive more profitable customer relationships.

Putting a structure on the working practices

A frequent complaint in many organisations is that too many processes exist for handling sales, marketing and services. Sometimes there can be as many processes as there are employees because each individual has their way of working.

CRM provides the opportunity to apply more consistency so that tasks are undertaken in line with agreed business rules. In CRM these rules, or business practices, are reflected in workflows. For example, you may build a six-stage sales process and enforce rules to be followed to progress a sales opportunity. All of these stages can be defined in 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.

With this consistent approach managers can easily see how many deals there are, at what stage they are at to gain an accurate measurement of a sales pipeline. If it can be measured it can be managed in CRM.

Knowing when the target is in trouble and why

Ask any sales manager his number one frustration and it's likely to be forecasting and targeting. It is a far from exact science yet business plans need to be built around these. Nothing can make this process exact but CRM greatly helps by making it at least predictable by using timely information. CRM systems provide a collective "roll-up" and view of each quote regardless if this is held by an individual, a branch, a unit - whatever way an organisation is set up to report on numbers.

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 their 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.

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Improving an individual's productivity

A new CRM system is only useful if there are perceived benefits for the people that use it. The opposite is also true. A system imposed where the perception is that this is only useful for collective benefits but actually adds a bureaucratic layer for the individual will inevitably fail.

This is a frequent complaint about poorly managed CRM implementations as there is an imbalance between the perceived benefits of CRM and the effort required with a bias towards the latter. As a result, users will tend to by-pass the system and consequently gaps in the information occur ultimately leading to a failed CRM initiative. This can easily be avoided.

Focus on areas where CRM can help an individual perform, these can include:

Diary Management: A daily diary of meetings or calls can easily be built in CRM. As well as helping individuals manage their time and prompt follow up actions this also provide a single click link to complete historical information on each contact. This will include: a record of emails sent and received, notes on previous calls, attachments of previous letters, contracts and transactions between companies.

Developing a complete picture of each person your company is in contact with avoids those embarrassing calls where a salesman tries to sell to a company who have already recently ordered or are 'on hold'.

Call Lists: Need to build a call list? Why not select criteria for the list (for example, all contacts not contacted within 6 months) and have it automatically build a list in the diary.

Eliminating Spreadsheets: Spreadsheets are great but managing them can prove a nightmare. Trying to record call numbers, prospects or contact lists in Excel can be a short term fix but it doesn't take long before users are trying to wade through multiple spreadsheet of varying quality in numerous folders. In contract, all this information can be recorded, stored, manipulated, imported, exported and kept up to date in one place by pulling the information from CRM. It is just as easy to use and crucially can be shared.

Stop wasting time

How much time is wasted in any organisation searching for relationship information? It might be time spent in locating a document relating to a contact, or a billing address or who a customer has been speaking to. Perhaps time is spent trying to talk to the only person in your company familiar with a client's situation. At its simplest, implementing a CRM system will prove a company with a repository of every important contact, document, phone call and email relevant to a particular company. In just one mouse click you can associate a

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contact 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 "searching"; allowing more time to be profitably focused on prospects and customers.

Another common cause of wasted time 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. Often, the administration is so time consuming reporting is a manual process that results in flawed decision making that's based on out of date, or worse, inaccurate data.

Reporting, assuming that 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 or sales team). Data only needs to 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.

Create new channels for customers to do business with you

Many CRM systems are available online through a web browser so that external users can directly access and input information wherever they work. Technology also exists that enables customers to access selected information and make changes through self service web portals.

Think of a service environment where customers log service or support requests with a company. Typically they call a number and an agent will internally record the nature of the request into a CRM system. If the client wants a progress update this too is often a manual process where they again have to call, quote a reference number so an internal user can look up the case.

Using some CRM systems these request can be carried out online where customers make service requests and check case statuses through their a web portal that's fully integrated with CRM.

Upon entering a new request online, a reference number generated and the client can log in at any time to see the status which with CRM integration will always be up to date. This functionality can typically be extended to industries such as the distribution, customer service, professional services or education environments: essentially to any business where time consuming manual processes exist to interface with customers.

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Marketing to the right people from lists that work

At a very basic level, CRM allows the manipulation of data within a database based on the selections of a user to build marketing lists. Beyond this, CRM systems enable much more to be achieved.

Data can be populated in a system, or more likely, imported from an external source such as a purchased list. This does not have to be applied immediately to the full 'live' system thereby avoiding the prospect of filling your CRM with mixed quality data. Instead, this data can be stored in a 'holding area' often referred to as lead or prospect data. Such data can then be selected by any criteria - region, size etc. Many systems can then send an email en-masse to the list, record the responses and create a call list from this.

Once a tangible opportunity is identified it can be added to the full CRM system. For a traditional offline marketing campaign, data can be exported and submitted to a fulfilment house, and the record of this action recorded in CRM.

More advanced CRM systems like Sage CRM and Microsoft Dynamics offer extended marketing campaign tools that enable the total cost and return from a campaign to be assessed by tracking each campaign element. As a result 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

Employee turnover is often a challenge when it comes to building customer relationships. Aside from the recruitment 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 structured and easily administered CRM system as already described minimises this risk. You cannot replace a personal relationship but very often in a business2customer environment the ability of the company to retain relevant customer information is critical. In a more personalised relationship of key account management, while it is not possible to retain the unique dynamic of a relationship at least you have the capability to use the history of the account to pass onto the replacement account manager.

Survey, Know, Respond

The most valuable time in the relationship between a company and its customers is often immediately after a service has been delivered or a transaction completed. Here the memory is freshest and the customer feels good about the service. 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.

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CRM systems provide the ability to send online surveys in the form of HTML emails that will capture responses against the individual or company's record in CRM so a qualitative picture of relationships with individuals can be seen. Trends can be spotted in persistent areas of dissatisfaction 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 your 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 is an introductory outline of some of the areas where CRM can help businesses. There are many other papers, booklets and research notes in the field which give a function-by-function analysis of CRM. You can find other guides, CRM tips and comparisons at www.preact.co.uk.

The scope of this guide has been to give a modest, digestible outline of some areas where CRM will most 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. However, the more you put in to a project the more you will get out.

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.

We hope you found this guide beneficial. As accredited consultants for the leading Microsoft Dynamics CRM and Sage ACT! applications, Preact provide a vendor-neutral view of the CRM market. We offer help with all aspects of new implementations from product selection to installation, user training & technical help. To discuss your CRM needs call us on 0800 381 1000.





ABOUT PREACT CRM

Preact is an independent Customer Relationship Management (CRM) consultancy working with businesses in the private sector as well as charities and educational organisations.

As multiple award winning CRM architects, we've been helping businesses achieve success from their CRM strategy since 1993. Our experienced team combine strong consultative skills with professional implementation skills and a commitment to customer service excellence.

By working with Sage ACT! and Microsoft Dynamics CRM we offer vendor-neutral advice to help organisations select the most effective solution for their unique requirements.

OUR APPROACH

We take a product agnostic approach to pre-sales to help you choose a CRM solution that will meet your immediate requirements and support business growth. Our consultants will discuss your plans in detail and help you test our recommendations.

Our efforts are focused on developing long term business relationships and we're committed to an on-going evaluation of our performance. We actively seek client feedback to ensure we're delivering on our brand promise of exceeding customer expectations. We were proud to receive the 2011 Sage Circle of Excellence award in recognition of the quality of our service based on independently collected feedback.

All of our implementation team hold the highest accreditations, including Microsoft CRM Implementation, Customisation and Developer Certifications, Microsoft Surestep Project Management, Prince2 accreditations & Scribe Certification ensuring that every requirement is expertly managed at each stage.

We offer a full range of pre-sales, technical consultancy, training and support services to cover every step of your CRM project.

Our recent projects have included implementations for John Lewis Plc, Toshiba Air Conditioning, East Berkshire College, Scottish & Southern Energy, Cranfield University & Europe's largest ACT! implementation for Oxford Instruments Plc.