

CRM white paper



It's time to put
your customers
information to
good use!

CRM explained

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Introduction

On a most basic level your business is about satisfying the needs of your customers, the better your are at doing this the more custom you will gain and the more your business will grow. CRM (Customer Relationship Management) software has been developed to help the work of daily communication with your customers.

CRM is not just a software solution it is an ethos & strategy your company can deploy to put your customers at the heart of the business, so that you can provide the best possible service. The foundation of CRM strategy is software, if software can not provide your employees with the features they need in an easy to use manner no amount of management speak is going to make the CRM work effectively.

This white papers aim is to provide you with the information you need to make an informed decision about when your company should roll out a CRM and if you have already some form of CRM in use to remind you of what it should be doing for your business.

Benefits of a CRM

In business it is vital that you retain and grow existing customers, the cost associated with finding new customers means that every existing customer you have is worth more than just their last order, it is the cost of replacing them.

By storing customer information which is both secure and available to all levels of a company. All departments can generate revenue, give customers good service and no opportunity is missed.

There is nothing worse for your company than clients information being stored in a employees head. If the employees leaves your organisation then all the information and client history is lost, the client is not your employees its your companies so make sure the information is shared and secure.

A CRM can benefit your business in the following ways:

1. Increased sales due to anticipating customer needs based on historic trends.
2. Cross selling of other products or services
3. Sharing the information and so removing employee critical points of failure.
4. Easy identification of key clients, and not so key clients who waste time
5. Productivity monitoring; monitor staff performance by CRM activity
6. Targeted marketing to existing customers via mail, email or sms.
7. Improved customer service due to accurate and shared information
8. Track incoming leads, source and conversion ratio.

Once your business develops an ethos to collect, share and use customer information you are no longer waiting for the customer to call you, you can call them. That is a key to CRM system they provides your company with the tools to give better service and grow.

Types of CRM

There are three main type of CRM solutions, YapCRM specialises in two types.

Software as a Service (SAAS)

Your CRM is hosted on the internet by the provider very much like Facebook and all your employees access the CRM via the internet. This approach is fast to role out and has very low initial up front costs. It is a excellent solution for companies who do not have or want the problems of managing their own software. Prices range from £5-£25 per use and a lot of companies vary there prices depending on amount of users, features etc. YapCRM charges £5 per user flat rate, with full feature set and free upgrades.

Bespoke / Customisation

This is a bespoke software or a customized version developed for your company. It is the ultimate solution as the CRM is designed and tailored around your needs. It is the most expensive solution. For example a large company was quoted £100,000 over two years for a CRM with 200 users + hardware & support. YapCRM costs from £2,000 for a heavy customization going up to £15,000 for a custom built design.

Off the shelf

Several companies offer a basic solution you can buy much like purchasing MS Office. The key benefit is a fixed up front cost; however major updates need to be paid for, it is not designed around your needs and can not be worked on away from the installed PC. Make sure any off the shelf product can share data between users live or you have the nightmare situation of which version of the data is correct and up to date. Excel as a CRM is a nightmare when there are multiple users as which version is up to date, and you end up with terrible duplication problems.

Roll out a CRM

Deploying a CRM is a multi stage process, a CRM is not a quick fix and roll out is vital to its a successful use. A bad roll out will waste all the money you have invested in the CRM.

Stage 1 - Installation & Training

Without a doubt the most vital part of a CRM, you must get buy-in from your employees. A CRM is only as good as its users, it is not going to replace your employees it is going to help them do more. Make sure they all have access to it; then spend a as much time as you can explaining why they need to use the system and the direct benefits to them rather than the company.

Stage 2 - Data Capture

Before you can start to really use the CRM the information needs to be on it; if you have an existing system even an excel spreadsheet check that data and then get it imported in to the CRM by your provider or ideally by hand so the data can be checked before entry. You priority should be to capture all customer information from day one of your CRM deployment so you can start to use that data.

Stage 3 – Analysing customer & staff behaviour

Once you have the data appoint somebody to research into it, do customers buy certain products at set times, do major clients make use of all your services. Researching this data is vital to finding out how you can make more from your customers. Also spend some time to research your own staff, are they making enough appointments, who looks after the most clients and are they able to look after all these clients. This stage is you using the CRM to find out who you need to target to drive revenue.

Stage 4 - Customer Service

Use the CRM to enhance customer service, if notes appear on a clients file one day that they are unhappy; have a senior manager call to reassure them and free up your other staff to deal with other problems. Set staff tasks to call key clients and make sure they are being looked after.

Stage 5 – Marketing

You have the data, you know the clients, now its time to drive revenue. Use the CRM to email, sms, post a regular updates on offers, news and opportunities that will encourage customers to come back and take a second bite. Its your direct line into your customers and an opportunity to keep them rather than lose them to the competition.

CRM Users

A CRM normally has 5 key users who help to run the system

1. Customer Services – answer incoming calls and keeps the CRM up to date, passes incoming leads to Sales. Checks CRM data when time permits (standard user level).
2. Sales – adds & updates leads, sales and tasks. Performs personal marketing & updates CRM of any changes (standard user level)
3. Accounts – tracks sales in the CRM and get customer data. It is best practice to keep the accounts system and CRM separate as sales people are not famous for their attention to detail. Accountants can use the CRM as a reference for new sales, customer records. (moderator user level).
4. Marketing – Use the data in the system to research leads for the sales team and directly market to customers to generate leads for the sales team (moderator user level).
5. Management – tracks customers service and sales performance by watching leads, notes, tasks & sales. Manages CRM users, a manager is normally responsible for the CRM and is required to successfully champion its use (administrator user level).

Potential CRM Problems

A CRM is not just a new bit of technology it is frequently a change of culture designed to share information around a company; as such the following are problems you will have watch for.

Poor communication

Everybody in your organisation needs to buy-in to the CRM; all relevant employees must know what information you need on the CRM, how it is going to be used and why it is needed.

Lack of commitment

If an individual or department does not support the CRM deployment you have a system that could lack important information. It is vital that all users keep the system up to date and have an ethos of sharing data; incorrect information can have the same effect as no information and drive down customer satisfaction.

Leadership

Reassure staff that this is not the company watching there every more and action; for a CRM to be successful all employees must see the benefits. This means that management must drive the use of the CRM by using it and thus encouraging employees use it.

Goals

Have goals, but do not be too ambitious at the start. Within the first six months for example get all your customers on the system and have the sales team tracking leads. Roll out the CRM slowly unless you have the staff and support in place to get it all going from day one.

Getting the most from a CRM

The top ten tips for a successful CRM

- 1. Champion** – A CRM champion in house who is motivated to get the CRM where it needs to be, it might cost you in the short term but will be worth it in the long term.
- 2. Aims** – have clear aims both long and short term; 1,000 customer records by the 2nd month and all leads logged into the CRM from the 2nd week of deployment. It is only by setting aims that you can judge progress.
- 3. Buy-in** – Make sure people understand not just how the CRM works, but why it needs to work, explain how it will make their life easier. Benefits, benefits, benefits.
- 4. Not just Sales** – Use the CRM to enable good customer service this will result in improved sales.
- 5. Reward** – Make CRM performance part of reviews, reward good practice.
- 6. Marketing** – Mix and match marketing, do not stick to what you know use the CRM to try all three forms of personal marketing mail, email & sms!
- 7. Flexible** – Make sure your CRM is flexible, can it be used on the road & home?
- 8. Research** – Once you have your system, mine it for information. It will give you a new insight into your business
- 9. Share** – Give as many people as possible access to the CRM, knowledge is power and spread that power, do not let a few people become critical points.
- 10. Inform** – Keep people informed about your business and events; do not just use the CRM to sell, use it to inform your clients.