Introduction to CRM

Intended as a short introduction to what CRM is –
aimed at users who are not technical

Fundamentals

What is CRM?

CRM is short for **Customer Relationship Management.** There are hundreds of books, thousands of learned academic papers and scores of Websites dedicated to the subject of CRM.

Essentially, CRM aims to put your customers at the centre of the information flow of your company.

In a typical company, it is not unusual to have to following scenario:

In short, the company or organisation is very rich in information about customers. It knows lots about them. But the information is not shared. It's only available to specific job functions.

If a sales person wants to know about what issues are outstanding with customer service for a particular customer, then they have to make contact with the holders of that information and wait for a response. If the salesperson is chasing the information in response to a question from the customer, then the customer also has to wait.

So, although many companies are information rich, the information is compartmentalised. It is not corporate knowledge and the ability to access information and to deliver it rapidly to customers is low - High quality customer service is compromised.

In a customer focused company, the information flow and the ability to access information is very different:

CRM is an application that enables companies to make the move towards being a customer centred organisation by putting the customer at the centre of all the information that relates to them and allowing authorised people within the organisation to access the information.

In a customer centred organisation, salespeople would have access to all the information that affects their relationship with their customer. The conversations, the emails, the complaints, the complaint resolutions, all the information that had been sent to the customer, who else in the company the customer had spoken to …… everything that affects their ability to service the customer and sell more product or services to them.

Customers of a customer centred organisation feel more valued. Their requests are dealt with more rapidly and accurately because all the information required to service the request is in one place. Customer centred organisations may have a higher customer retention rates than competitors organised along traditional lines because of this.

Your CRM

Your CRM application is called SugarCRM. It is written using Internet computer technologies. This means that to use it, you enter a Website address into your browser in the same way that you would if you were accessing Google, Yahoo or any other Website.

The address that you enter to access your CRM is www.xyzwidgets.com.

Issues of Importance

There are a number of issues of fundamental importance to the success of a CRM application. We will explore all of these in the following pages. In no particular order, the primary issues are:
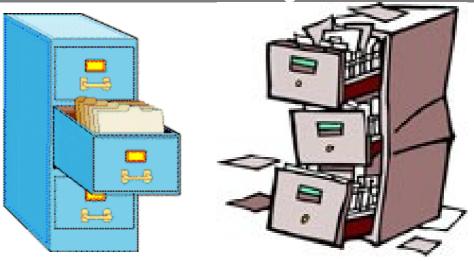
1. Discipline
2. Discipline
3. Discipline

Discipline 1 - Information Storage

All the information on your CRM system is contained in one big store called a database. The CRM database is capable of storing details of emails, conversations, quotations, customer names, addresses, telephone numbers and contact personnel for all your customers.

It is like having a gigantic filing cabinet.

A database is like a filing cabinet

Easy to find information	Hard to find information

If you store information in a structured and orderly way, then retrieving information will be relatively easy.

If you don't put the information where it belongs, it will become increasingly hard to find.

Discipline 1

Put information in the right place – ALWAYS.

ALWAYS – put the information in the right place. If you deal with one hundred people at XYZ Widgets and you stored all the information about all the quotations for each person under the general heading of XYZ Widgets, finding any information would become very difficult.

If however you created a main file for XYZ Widgets, and a subsidiary folder for each person at XYZ Widgets and you stored quotations in the separate file for each person at XYZ Widgets, finding quotations would be much easier.

That means if you did a quotation for John Smithers of XYZ Widgets, you can file the information in one of two places:

In the XYZ Widgets file …. or   ✘

In the John Smithers folder of the XYZ Widgets file   ✓

Discipline 2 - The Right Information

Your CRM system is a place for storing all the customer related information.

There will be a temptation to record everything customer related in the database. Resist the temptation.

If you have received an email from a customer with "The 100 best blonde jokes" – **PLEASE DON'T store it in the CRM system.**

There is no hard and fast rule. However, common sense ought to tell you that anything of commercial relevance to your company should be stored. This includes emails with regard to purchases, contracts, negotiations, commercial information should be stored. Quotations should be stored. Details of relevant conversations should be stored. Letters to customers should be stored. Anything that adds value to the customer relationship.

Legal Notice

DO NOT record information that is of dubious legality about your customer or competitor. There have been cases in the recent past where organisations have been successfully sued for sending internal emails that contained questionable information about a competitor. There is little reason to believe that this could not be extended to the CRM system.

Discipline 3 - CRM is a habit

Make your CRM system a central part of your working life and you will get tremendous value from it.

Make your CRM system an incidental part of your working life and watch your CRM-friendly colleagues make more sales, earn more commission and get faster promotion. Knowledge is power and CRM is a hugely powerful corporate knowledge system …. Use it or lose it.

Six good habits of effective CRM users

1   When you are at your desk, or are otherwise connected to the Internet, **ALWAYS** have the CRM application open.

2   Record information when it happens or as soon as possible afterwards. **DO NOT** write everything down on bits of paper and try to update the system at the end of the week.

3   Use the CRM system to record all your planned activities – if you just told John Smithers that you would call him at three-o-clock in three weeks time – record it on the CRM system – it, in turn, will remind you to call John Smithers on the right day at the right time.

4   Use the CRM to plan your activities – at the start of the working day and the working week, look through the CRM system for all your meetings, for all the calls you have to make, for all the reports you have to prepare. You'll be impressed by how much more organised and focused you can become.

5   If you are in sales – pay particular attention to the pipeline …. It will always tell you where to focus for gain.

6   There is no such thing as too much detail – i.e. when you enter a sales lead – record as much relevant information as possible. Where did the sales lead come from? If you learn to record the smaller items such as this, you will build up a picture about how and where you get your best business from. Is it from exhibitions, cold calls, customer referrals? … absolutely vital information that will help you sell more.