



CRM and your business

So you think you need CRM. Or you've got it and want to use it better. Read here about 4 kinds of CRM you DON'T want, and one that you DO. Then consider 3 key needs and 3 key desires for your customers.

Needs and desires

We all have them, unless we're dead. So do our customers. Listen to any focus group and you'll hear all about them. Your frontline staff will have some views too. Let's assume you've done the work, identified the key needs and desires of your target audience and your whole business thinking is focused around meeting them.

Now what has that got to do with CRM?

The big opportunity here is that for many businesses the answer has been precious little. So you can do better. First here's a quick list of options of approaches to CRM you might want to avoid:

1 CRM for accountants

"We get a monthly print out from our CRM system of debtors. That allows us to chase the salesforce with detailed information of defaulters and what they should be doing about it. We have to keep control of these people, you can't trust them an inch".

2. CRM for the Board

"As a modern, efficient company we obviously have to keep up with the times. I have been reliably informed by a good friend and fellow golfer that what we need is the Triple X 2002 so Jones will be responsible for implementing that project".

3. CRM for cowards

"We don't want to make any mistakes so we've called in the market leader for a thorough project review and they'll tell us exactly what we need and be responsible for installing it. They have given us a very detailed two year project management document including four sections of contingency planning".

4. CRM for gadget-heads

"And you won't believe the things it can do! It's got these really cool features to interface with everything we ever invented and convert all our data to PK75 format for maximum interconnectivity with the website. Er, not that we've finished building the website yet, but anyway, just as soon as we've got this new system we'll be well away".

Instead, try CRM for successful businesses

I'm going to assume you don't relate to any of the above. In which case, you might be hoping for a CRM system that does straightforward, common sense things that can add value to your business. All of the following examples are ways that CRM can improve your ability to satisfy customer needs and desires - a proven way to gain or defend market share.

Need 1: to find a place to buy: "Who sells printers with next day delivery"

The more you know about your existing customers, the more you'll know about your

prospective customers. That makes it easier to target your marketing efforts so when they have a need you can satisfy, they think of you.

Need 2: to start buying process: "I just want a cheap strimmer"

Customers don't always use the same terms that you do - why should they? If you do enough market research and listening to your customers you'll know the language they use and be able to reflect it in your site. Smart search engines can improve sales dramatically.

Need 3: to complete buying process: "Where's my product?"

Churn is speeding up and you suspect the miserable staff at the customer service centre might be at the root of the problem, but you can't measure changes in order cancellations. And it's not really surprising they're grumpy down there given the number of errors they have to deal with. An integrated system would help enormously, reducing errors, speeding up call handling and making it easier for call centre staff to help customers.

Desire 1: to be cool (or young or statesmanlike or a good mother or...)

Using a CRM system in a smart way, combined with your own business acumen and your team's first hand customer knowledge will help you leverage information and turn it into real targeted marketing effort that speaks to your core customers in a way they can relate to and feel good about. CRM doesn't have to be only about existing customers, it is about increasing your customer understanding, knowing your customers inside out so you can make better predictions about their responses.

Desire 2: to be recognized as special: "Don't you know I'm a vegetarian?"

Sending money off coupons for meat products to vegetarians can turn their stomachs - hardly the image you want associated with your brand. Using CRM to track purchases made with their loyalty card would mean you could identify their buying habits. You might find out some real nuggets like customers who start with Chardonnay will upgrade to Chablis given a nudge in the right direction.

Desire 3: to be understood "now that's my kind of car"

Direct marketing to customers who aren't interested is a waste of time and money. By using an integrated CRM system to get to know your customers better you can demonstrate how you value their business, at the same time as getting better value for your business. That demonstration of understanding will also count in your favour when your competitors are attempting to lure them away.

Conclusion

The only reason to have a CRM system is to help you be better at satisfying your target customer's needs and desires. It is no substitute for understanding your market or having a strategy, but it can be a brilliant tool to help you implement that knowledge to better effect. When you think about the role of a CRM system in your business, think in a broader way about the whole customer experience, and if you could improve it by having better, more available, more integrated data in order to make the most of your existing customers and seek out and attract new ones.

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