



WISH for a more *effective*
CONTACT CENTER?



ASPECT®



from the editors of *CRM* magazine

Search

This topic only



for

GO

July 2, 2005

SIEBEL

IT'S ALL ABOUT THE CUSTOMER™

www.siebel.com/thecustomer

Home
 Subscribe to CRM
 Email Newsletters

Sales Automation Marketing Automation Cust Svc/ Call Center Analytics Channel Mgmt Integration SMB/Mid-Market CRM Enterprise CRM Verticals Industry News



FEATURE

100 Proven CRM Ideas, Part 1

...successful and disastrous: 90 bright ideas for your CRM strategy and 10 dim ones to avoid. Edited by David Myron

by [Coreen Bailor](#), [Colin Beasty](#), [Jason Compton](#), [Alexandra DeFelice](#), [Marshall Lager](#), and [David Myron](#)
 From CRM Magazine June 2005

- Email this article...
- Print this article...
- Reader Comments...
- Link to this article...

News & Features

Topic Centers
 News
 Viewpoints
 CRM Magazine
NEW! Digital CRM

CRM Resources

Experts on Call
 CRM Buyers Guide
 Premium Partners

Events & Services

Web Events
 Events Calendar

DestinationCRM Info

What is CRM?
 About Us
 Contact Us
 How to Advertise
 Getting Covered
 Site Map

CRM projects fail--and succeed--for many reasons. When they fail it's often because they lack guidance. It takes a customer-centric vision across all departments and employee levels to be successful. It's a daunting task, but don't reach for the antacid yet: Our 100th issue provides some much-needed tips for success. We racked our brains, combed through previous issues of CRM, and spoke with industry consultants and project leaders to distill 90 bright and 10 dim ideas. We found that while the formulas for CRM success may differ, they include some or all of the 90 bright ideas.

Don't believe us? The proof is in the process. When CRM works, C-level execs make smarter decisions because they have a 360-degree view of corporate performance; salespeople increase their proficiency and close more deals; marketers create more targeted campaigns with better insight into their effectiveness; and employees--especially CSRs--become more productive and efficient.

Consider the 100 ideas list here a guide to proven strategies for starting or resuscitating your CRM efforts. The sales, marketing, customer service, and company-wide ideas are color coded to show where they best fit in the organization. We believe companies following these strategies are the ones truly committed to long-term CRM success. If we're wrong, you can give us 100 lashes with a wet metric.

1| Break down those silos. Having an integrated customer service solution is critical to maintaining customer service. Disparate databases of customer information prevent companies from gaining a holistic view of the customer throughout the organization.

2| Make a business case. Prior to selecting the CRM system, monitor employee behavior and performance to identify which business processes can benefit the most. Determine how the CRM system might help share information and resources, cut clutter, administrative duties, and duplicated tasks.

3| Keep customers in mind. While the technology that enables successful CRM is important, at its heart CRM is a business strategy. Finding out how technology can enable all of your company's touch points to facilitate its corporate strategy is key. "The software is only there to enable your implementation of a CRM strategy, not the other way around," says Izzy Franco, CRM leader for North America at Cap Gemini.

4| Ask and ye shall receive. Farm Credit Services of America wanted to become more vital to its customers and the overall rural agricultural credit business, where customer interactions are largely face-to-face. To evaluate

ORACLE BUSINESS INTEGRATION



← Meet Joe,
 your most
 valuable customer.

CLICK HERE for an Oracle white paper—
Customer Data Hub: 4 Steps to Customer Insight

ORACLE®

[www.siebel.com/
thecustomer](http://www.siebel.com/thecustomer)

Bricks.

[www.siebel.com/
thecustomer](http://www.siebel.com/thecustomer)

SIEBEL
IT'S ALL ABOUT THE CUSTOMER™

possible new retail locations, employees asked their customers and discovered they wanted to carry out banking and financial dealings at their own place of business. So that's what they're doing. Ask customers how they want to interact with your company.

- 5| Build a team.** Before selecting your CRM software, form a CRM team with reps from each department to make sure their colleagues' needs and concerns are addressed. Too often companies neglect to include the correct stakeholders, and the initiative fails to meet the needs of those tied to its results. Pick your CRM team wisely, as it should evangelize the new system when it arrives.
- 6| Consider people, process, and technology.** One of the most common reasons why CRM initiatives fail is that executives tend to think of CRM as an IT project. In fact, it is an organizational and business-process change that requires companies to think about people, process, and technology to succeed.
- 7| Create a project checklist.** Companies need to consider the following six steps when implementing their CRM initiatives: creating a clear strategy, addressing organizational issues, enabling processes, implementing the appropriate technologies, recording and tracking the data that drives the insight, and measuring the appropriate metrics, according to Jeff Schumacher, an associate partner at McKinsey & Company.
- 8| Experience counts.** "I can't emphasize enough the value of an expert consulting organization that understands our business [and] a vendor that has a track record," says Jean Marc Pigeon, president of Inortech. To that end, ask the consultant and vendor for customer references.
- 9| Take the Goldilocks approach.** Some CRM tools are too big; others are too small. Find what's just right for your business. Just because other companies like yours use one approach doesn't mean you have to do the same thing.
- 10| Benefits come in many flavors.** Cost justifications are critical, but look deep enough to see the indirect effect of changes to your CRM policy. Look past the dollar signs of implementation and consider things like employee efficiency, productivity, and customer satisfaction.
- 11| Calculate short- and long-term costs over time.** CRM is not a one-time expense. Total cost of ownership (TCO) and return on investment (ROI) need to be used together when evaluating a CRM project. Expectations should be managed over time. Consider costs over monthly, quarterly, yearly, and three-year periods. Costs don't end with technology, so consider services as well, which can easily cost twice as much as the technology.
- 12| Emulate best practices.** Nothing turns employees off like being forced to do their jobs differently for no obvious reason. Study your top sales and service people, then design or invest in technology that enables your firm's best practices--their best practices--to be emulated company-wide.
- 13| Get support from the top brass.** If management doesn't believe in the new system, why should the employees? Many times the difference between a successful CRM strategy and a huge waste of money is a leader who motivates the rest. Once they're hot on the idea, you need to keep them committed, so communicate with them regularly.
- 14| Go with a CCO.** Yes, another acronym to add to your mile-long scroll of industry terms, but this one's got potential, we promise. If you're lacking accountability across all departments, the chief customer officer is the person to bring it to your organization. Still not sure what a CCO really does? It's her job to keep an eye on everything we put on this list.
- 15| Get a champion of change.** Don't have a CCO handy? Choose a manager who's behind the implementation, understands the problems, realizes the benefits, and understands the importance of the implementation from the company's side, says Lorie Goudie, director of customer support for Tarantella. After all, there's nothing more motivating than somebody who always has that can-do attitude. Want proof? Just watch a Richard Simmons video.
- 16| Deputize wisely.** A strong second-in-command, the person "who makes all your glossy words actually happen," is critical, says Sadie Baron, marketing project manager at Eversheds.
- 17| Set goals.** Setting predefined and mutually agreed upon goals with your CRM team prior to selecting the CRM vendor will give an organization an idea of how well the CRM solution performs once it is installed. How can a company succeed if success cannot be measured?
- 18| Set attainable goals.** Simply because one salesperson has an 80 percent close rate does not mean all salespeople can come anywhere near that. "Not all customers write business cases. Not

Other InfoToday Sites

EContent Magazine
EMedia Live
EventDV.net
Enterprise Search
Center
InfoToday.com
IntranetsToday.com
KMWorld.com
MMISchools.com
ONLINE Magazine
StreamingMedia.com
Faulkner Information
Services

all business cases have metrics. Not all metrics are reasonable," says Barton Goldenberg, president of ISM. Determine a department's average performance levels and aim for 5 percent to 10 percent increases in areas like sales, customer retention, or lead generation.

- 19|** Cleanse preemptively. Identify your key client data set before you flip the switch and make sure it's accurate and up-to-date. Do the data audit from day one.
- 20|** Keep it simple. Don't buy what you don't need. The fewer bells and whistles, the less time and money you'll need to devote to training. People don't like change as it is; keeping things simple only makes the switchover that much easier.
- 21|** Success can be contagious. In baseball they say that hitting can be contagious. Implementing CRM is no different. With a full-suite product in particular, starting an implementation with a department you know will find success can make other departments start asking, "Hey, why can't we do that?" If one department finds success with CRM, others will want to as well.
- 22|** Train early, train often. Give your employees as much time as possible to learn the new application. They don't like change any more than other people do, but the sooner you begin, the sooner they realize they're a part of the process and the quicker they will realize the benefits. Repeat and augment training as necessary to keep those skills fresh.
- 23|** Identify quick wins. Tackle the smallest, easiest task straight away and save the hard stuff for later. Success early on gets the ball rolling and motivates employees.
- 24|** Take baby steps. Sales teams, like cats, can be finicky. When automating the sales force, roll out the CRM system in small steps. With many sales teams, the number one concern is, What's in it for me? Dump or force a strategy on them and they'll get cranky.
- 25|** Focus on ROI. "CRM should provide salespeople with better pipeline reporting, rather than only make it easier to sell more. The latest CRM solutions are forcing salespeople to enter more administrative numbers than before. As a result, firms find they spend millions in sales automation only to learn that sales reps are still using ACT!," says Scott Nelson, Gartner vice president and distinguished analyst.
- 26|** Slow down, Speedy. Don't get too far ahead of your customers in introducing CRM technologies--changing human behavior is tough, and takes time. Recognize that customers and employees may be struggling to keep up with the pace of technological change. New applications are best served up in small, measured doses, says Jim Johnson, director of information services at Master Lock Company.
- 27|** Find superusers. Why fight uphill all the time? Get the most enthusiastic people to use the system first.
- 28|** Keep your eye on the prize. Measure the results and soothe the inevitable hiccups by showing people the benefits of the new CRM system, says Stephanie Ledoux, assistant vice president of customer and provider service at Blue Cross Blue Shield--Rhode Island.
- 29|** Test the waters. Make sure your email and other communications are actually being delivered to the right people at the right time. Troubleshoot with test customers before making your services generally available.
- 30|** See your customer through the same glasses. Various departments in your organization may see your customer as diversely as they would walking past a fun house mirror--attractive and valuable from one angle, unappealing from another. Using one integrated set of analytical data throughout the company can help executives to make key decisions about how much to invest in a particular customer.
- 31|** Keep things uniform. Unify your message across all communication channels, including television, radio, newspaper, email, regular mail, Web site, and the telephone. Try to have the same look and feel throughout the company. Don't send mixed or conflicting messages--you will confuse the customer.
- 32|** Walk a mile in your customers' shoes. Getting complaints from customers about how horrific it is to do business with you? Put yourself in their shoes by role-playing the typical customer experience. Once you suffer through what you dish out, you'll be shocked into a more customer-centric mindset. Guaranteed.
- 33|** Keep your promises. Just like relationships with your friends and loved ones, relationships with your customers should be based on trust. Reminding customers of promises kept--and taking responsibility for promises unfulfilled--simply requires openness.
- 34|** Clean your data regularly. Your CRM system is only as good as your data, so keep it clean

and avoid duplication. "According to the U.S. Census, about one in seven people change addresses within a year," says Denis Pombriant, managing principal of Beagle Research Group. That's why, he adds, "having old data is like having no data."

35| Big names don't mean big money. While big clients may look impressive on a customer list, they may be costing your organization more money than they bring in. These clients may have special needs, such as customized packaging, special distribution needs, more hand-holding, which take extra time and expenses. Look at overall customer profitability, not just sales, and send unprofitable clients to the competition.

36| Consider life stages. According to the U.S. Census Bureau, there are roughly 75 million baby boomers (born between 1946 and 1964), more than 49 million gen Xers (born between 1965 and 1976), more than 72 million gen Yers (born between 1977 and 1994), and 40 million millennials (born between 1995 and now).

37| Know thy customer. Don't assume that an ethnic cohort comprises one monolithic group of consumers. Some consumers are more tied to their culture than others. Within each culture exists subcultures that include a wide range of people who are fully assimilated to those who don't speak English. What's more, country of origin may also play a significant role in buying behavior.

38| Mass marketing or one-to-one? Actually, it should be a mix that mostly meets somewhere in the middle. Your most valuable customers require one-to-one communication. Just below this requires a one-to-some model, in which your marketing messages are somewhat customized and sent to the bulk of your customer base. The bottom level is your lowest 10 percent, which requires little customization.

39| Experiment with marketing. Marketing is just as much of an art as it is a science. Recent technological developments are enabling marketers to challenge their segmented marketing campaigns with just a few keystrokes. Consider different data sets like attitudinal, demographic, and behavioral data when reevaluating your marketing campaigns.

40| Sell what's priceless. The affluent are no longer as interested in material things as they were leading up to the Internet boom. Instead, they'd rather purchase products and service that enhance their experiences. Take heed from Citibank's "Live Richly" and Mastercard's "Priceless" campaigns.

41| Choose your customers. Find some commonality among your best customers in your database and cross reference that with prospects from external databases to pick the most profitable customers.

42| "Don't reinvent your relationships," says Joshua Yuster, CEO of BranchIT Corp. Relationship management software from companies like BranchIT, Spoke Software, and Leverage Software can search digital records of customers and potential customers who have preexisting relationships with other members of your team.

43| Reward team players. In the big picture a happy customer is more important than one salesperson's commission. Provide bonuses or team player rewards for referring customers to the right internal sales agent or business partner who's closer to the customer and can add more value.

44| Think, partners = customers. "Treat [partners] like they're customers," says Catherine Smith, COO of ING U.S. Financial Services. Partners, like customers, want what they want when and how they want it. So just like you do with customers, identify your partners' needs and wants, and implement processes that keep them smiling.

45| Bundle up. To really reward those loyal customers who turn to you for multiple products and services, cut them some slack with a discounted pricing plan to show your appreciation. You may not pull in as much in the short term, but you'll score lifelong customers--and long-term profits.

46| They're not lost, just misplaced. Almost every business goes through rough periods, either individually or when the economy sags, and so lose customers as a result. When business picks up again, be sure to attempt to restart your relationships with lapsed customers--they're easier to sell to than brand-new ones.


47| Automate contract renewals. When focusing on customer acquisition efforts, don't let existing customers slip away. Look to contract renewal applications that will remind sales professionals when clients' contracts are nearing expiration and can also automate contract renewal efforts with customers.

48| Streamline your checkout process. You wouldn't give your family (except maybe your in-laws) a roundabout route to get to your home if there was an easier set of directions. The

same idea applies to your online checkout process. Make it less of a maze and more of an express lane. For example, Overstock.com condensed its checkout procedure from seven pages to three, and retooled its product pages to make it easier to complete the checkout process, bolstering conversion rates and reducing online-checkout customer calls.

49| Get personal. Customers hate to feel like the sales agent is reading to them from a script. Learn your customers' personal needs and profiles and target your service to each individual. It will make them feel important and that you value the relationship.

50| Get cozy. When people come to your retail store, financial institution, or garage, make them feel comfortable. Many kinds of companies provide coffee and cake in the mornings for customers who must come in before work. Others provide free Internet access to people while they wait. Retail stores increasingly are adding in-store cafes to keep hungry shoppers around longer.

 Comments? Questions? Email our [Editors...](#)

More From CRM Magazine

- [Lending a Helping Hand](#)
- [Breaking Down the Silos](#)
- [What's in a Name?](#)
- [An Inside Look at Outsourcing](#)
- [100 Proven CRM Ideas, Part 2](#)
- [*More CRM Magazine...*](#)

SPONSORED LINKS:

- [Are your customers misbehaving?](#)
- [Improve your operations in 24 weeks with a 3:1 guaranteed ROI. OPUS.](#)
- [Online flower company increased customer retention 15% with SAS](#)

[Home](#) | [Site Map](#) | [Get CRM Mag](#) | [e-Mail Newsletters](#) | [CRM Topic Centers](#) | [CRM News](#)
[CRM in Action](#) | [Viewpoints](#) | [CRM Magazine](#) | [Experts on Call](#) | [Web Events](#) | [Events Calendar](#)
[About destinationCRM](#) | [Advertise](#) | [Getting Covered](#) | [Report Problems](#) | [Contact Us](#)

© 2000-2005, CRM Media, LLC. Use of this site indicates approval and acceptance of our Terms of Use and Privacy Policy.