



WHITEPAPER:

Harnessing
intelligence from
your customers
with an integrated
CRM SYSTEM

Hooking the big fish in times of economic uncertainty

Once upon a time, businesses used to be able to rely on long term relationships with their customers. These days, it's short term deals, and there's no guarantee they will come back for more. With loyalty in many industries in tatters and margins tighter than ever, there's never been a more important time to nurture customer relationships.

Using a strategy to manage interactions with customers and prospects is nothing new of course. Some businesses have been doing it for years. But in a lot of cases, the systems they use to keep track of customer data are cumbersome, simplistic and highly dependent on manual input.

During times of boom, dependency on manual input is risky. The increased workload puts pressure on staff who start duplicating efforts, introducing errors and spending less time on the tasks that really need their attention.

And in a tough economic climate, where hiring is on hold and marketing budgets are all but used up, not being able to measure and value customer relationships accurately puts a serious barrier between you and your ability to generate revenue.

So what's the secret? How do you find and win new clients, hang on to old ones – and even entice those who have gone elsewhere back into the fold? The answer is to ditch your time consuming manual processes in favour of a dedicated customer relationship management (CRM) system.

CRM – the basics

So what is CRM and why is it so important?

In a nutshell, it's a way of recording every interaction your business has with prospects and customers, and using the information gathered to influence how your products or services are priced and marketed.

It's important because businesses have a habit of thinking about the product and/or service, not the customer. This is understandable, given that they spend most of their time developing them, but ask any professional marketer and they'll tell you the same thing: the way to engage with your customers is to see your business from their point of view – not yours.

CRM then, is about more than just recording data. It's a way of helping you to focus on what it is your customers want.

Integrate, not isolate

Most standalone CRM systems offer broadly the same functionality: campaign management, sales budgeting and workflow management. They're all designed to do the same thing too: reduce duplication of effort, eradicate errors and track and report on interaction with customers in an easily digestible way.

While these are all admirable features, the data captured from a CRM system can be used much more intelligently to improve on processes and, in turn, offer greater efficiencies across the business.

Inevitably, with each new customer, there is a corresponding series of processing transactions – from quotes, to sales orders, purchase orders, inventory transactions and a multitude of accounting transactions. It all starts with that initial customer interaction. But if the data doesn't filter through into the rest of the business, much of its benefit is lost.

Traditionally, businesses haven't seen customer relationships and finance as part of the same process. But in actual fact, they are intrinsically linked. By integrating them within the same system, it's possible to forecast how customer attitudes will shape sales.

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That in turn, explains the metrics of the business, and helps management make better, more informed decisions in a more customer focused direction.

Best of all, because you only have to enter data once, there's no duplication of effort – which greatly enhances efficiency.

So if you really want to harness data on your customers and put it to use, the solution is a single, integrated system that allows you to gather reliable intelligence on your business as a whole. A system that connects the dots between finance, job costing, point of sale, fixed assets, inventory control and CRM.

CRM as part of a complete integrated package

With an integrated system, it's all about the chain. By integrating CRM into your business management processes, everybody in the organisation can see what's going on at the coal face – not just your customer-facing staff.

Because data is entered straight away and filters back through your organisation, anybody relevant in the chain has the opportunity to use that intelligence to the advantage of the business and the customer:

- **Management** doesn't have to wait for a report to know how customers are behaving. It's there straight away.
- **Customer service** staff can identify issues with customers and act fast to ensure a better customer experience.
- **Marketing** can use customer data to create more targeted campaigns or offers.

In a standalone CRM system, management would have to wait for a report to be handed over to them, and the information would then have to be disseminated to the relevant departments or staff manually – which could take weeks. In the meantime, the customer may have gone elsewhere.

Building a profile

As we've already mentioned, the key to a good relationship with your customers is to demonstrate that you understand their needs. By recording every transaction from the very beginning, it's possible to build up an accurate and detailed profile of each and every customer. Knowing their individual journeys – from prospect to sale – is the only way of really understanding their preferences. That simply wouldn't be possible with a system that didn't allow you to link prospects with sales and invoicing.

Of course, with an integrated CRM system, those profiles will never be lost, because they're linked with other elements of the business. This means you can offer your customers absolute consistency of service, whether or not the same sales executive or customer service representative is still working for you. For whoever next takes up the position, there's no getting up to speed and no lengthy handover notes. Staff come and go, but the history is there for all to see.

Consistency and accuracy

An integrated CRM system also guarantees consistency and accuracy of customer details right across the business. Data that's entered by a sales executive is immediately passed back through the chain, enabling invoices or other communications to go out correctly. It may be a small point, but it's another vital one in reinforcing to the customer the message that you care about them individually, and understand what's going on inside the walls of their own business.

Good metrics

Lastly, but by no means least, while the primary responsibility is capturing customer interaction, an integrated CRM tool is also a very useful metric in itself. Using sales budgeting and forecasting tools, you can determine just how much impact customer relations are having on your business, and scale operations up or down accordingly.

Features to look out for

So what should you look out for in an integrated system?

1. Is everything integrated?

With an efficient CRM system, all modules should share key data without needing to be synchronised, and better still; the data should be real-time, live data. From sales budgeting and forecasting tools to information on debtors and creditors, contacts, tasks and appointments, details should be stored in the same database – in a way that's easy to access and produces real time results.

This is one to keep a close eye on, because as with any type of software, not all systems are created equal. Saddled with a system that doesn't allow you to share all your data freely, you'll have only once choice – to obtain the data from another source and manually import it. And that, of course, is how errors start to creep in.

2. User defined access

Because data is stored in the same database, users from around your business can access a range of information, from contacts and opportunities, to quotes, sales orders and appointments. This reduces the admin bottleneck. It also makes it easier for various business functions to be carried out.

To balance this multiple access, a fully integrated system will also allow you to define which data is public, and which is for certain users only. It makes sense for your customer services team to view invoices in the CRM module, but you wouldn't necessarily want them to be able to create or edit them.

3. A single view

With a wide range of information available to users, it's essential that an integrated system includes a dashboard – a single screen where all information relevant to that person's job is collated.

A Sales Manager, for example, might have sales budget and reporting tools on theirs, for a snapshot view of end of month figures. A Sales Representative on the other hand, would have information that allowed them to build an accurate picture of a customer's order history before making a sales call or visiting the customer.

What this means to your business is that you can slash your response times to enquiries and orders. You can minimise delays too. And because you have complete visibility on stock, you can fulfil customer orders – if necessary – by re-routing produce or goods from different depots, instead of simply declaring an item 'out of stock'.

That means better customer service and the opportunity to build a loyal customer base – which is exactly what's required when loyalty is at an all time low.

Which system, which vendor?

So you've decided to go down the integrated route. How do you know which system to choose? There's a range of them out there, and a spectrum of prices to match.

Price is an obvious starting point, but it's not necessarily the best indicator of value. That's because integrating CRM with the rest of your business is not just about easing the flow of data and improving efficiencies in the short term. It's about setting your business up for the future. A system built on a flexible platform like SQL that has the ability to grow as your business does is worth its weight in gold.

Does every cloud have a silver lining?

Another consideration is the manner in which the software is delivered.

In recent years, there's been a trend towards accessing software via 'the cloud' (online) as opposed to having it installed locally on your own servers. There is much to recommend this method. It can be cheaper. There's no additional hardware to install either (you just log in via a browser) so getting up and running is often quicker.

On the down side, software that is delivered over the internet is designed to appeal to a generic business model. As such, it is often harder to configure to the specific needs of your business.

Some people also believe you can only get remote access to a system if it is hosted online. That isn't the case. There are many other alternatives, like Terminal Server, Citrix, LogMeln, GoToMyPC, that enable you to access your system from any PC and still host it on your own servers.

Looking for long term value

Perhaps your most important consideration however, is the track record and ongoing commitment of the vendor behind the software.

An integrated CRM system is designed to grow alongside your business, allowing you to use different functionality as and when you need it. If you're investing in a new system, you want to be sure that your new system is going to be around five, ten – even 20 years from now. It's critical then, that the vendor is committed to the introduction of new features and enhancements on the product road map, and has a solid network of integration partners to support the system for years to come.

At the end of the day, a new CRM system isn't just a product. It is an entire process – from the integrity of the company that develops and improves the product, to the strength of the channel that supports it – right through to the people who use it.

If all the pieces of the puzzle are there, then you can be reasonably certain of making the right choice when it comes to implementing quality software.

EXO: a platform for growth

MYOB EXO Business provides businesses with a seamless, live view of stock, product movement, activities, customer relationships and staff efforts. With accurate, customised reporting and analysis tools, management can be on top of the decision making process at all times, in the knowledge they have current data at their fingertips. But what sets EXO Business aside from similar integrated business management products is its ability to expand and co-exist with other systems. In doing so, it provides a platform for growth not limited by the constraints of rigid programming – which means businesses can actively improve the efficiency of their operational tasks and activity throughput on an ongoing basis.