IMPROVING YOUR ODDS OF CRM SUCCESS

COMPARE YOUR CRM APPROACH TO OUR FIVE BEST PRACTICES AND UNCOVER OPPORTUNITIES TO IMPROVE THE ODDS OF YOUR SUCCESS.

According to a 2010 report from industry research firm CSO Insights, over 75 percent of U.S. firms have implemented CRM strategies to accelerate top-line growth, improve the customer experience and boost the productivity of frontline workers. But success with CRM initiatives remains elusive for many. A 2010 study conducted by Asuret discovered a 47% failure rate of CRM systems. Compare your CRM approach with this list of five best practices to uncover weak points and opportunities to improve the odds of your CRM success.

#1 Be Customer Focused.

Don't let the data get trapped in marketing. Create a customer-inspired culture by having a systematic approach to sharing customer insight. Develop an internal communication strategy and plan to articulate customer learning's across the enterprise. In developing the plan, recognize internal department goals, objectives and the decision-making process, and provide customer data to improve business decisions. In addition, keep management knowledgeable about CRM program's and their contribution to company goals — especially financial — this will help you buttress future budget needs.

#2 Be Relevant.

Build a customer relevant relationship by using customer insight to tailor your message to address individual customer's needs, preferences and interests. The result of treating different customers differently is an increase in the amount of customer trust and affinity with the company over the long term. In fact, a recent study conducted by Pepper and Rogers Group found that the extent to which the content of a message is customized to the customer's needs increases the customer's relationship strength by 37 percent.

#3 Keep It Fresh.

Continuously refresh and refine your strategy to stay in tune with the market and your customers. In business, change is the only constant; there is change in market conditions, demographics and psychographics, customer requirements, employee needs, company ownership, geographic span, store formats, competition, channels of communication and more. The same goes for change in consumers' expectations, shifting away from a desire for possessions to a desire for experiences. Overall, consumers are looking for the meaningful (which includes value and relevance). Monitor the change and the rising tide of your customer's expectations and recognize when

it's time to re-engineer your loyalty program's value proposition and communication strategy to be more relevant to your customers.

#4 Create a Dialogue.

Starting a conversation with your customers gives you the opportunity to understand their lifestyle, life stage, needs, wants, aspirations and expectations. There are a myriad of ways to gather customer feedback: focus groups, in-store intercepts, web-based surveys, customer panels, and telephone surveys, as well as internal customer-oriented indicators (e.g., repeat purchase rates, customer acquisition rates, sales and profitability by target customer segment, etc.). Each technique has its strengths and weaknesses in helping you build the total picture of the spoken and non-spoken messages from your customer. Every arm of the company, from your management team to merchandising and planning to allocation, operations staff, and marketing will have a clear advantage over the competition when they are armed with a holistic view of your customer.

#5 Measure Success.

Measure the company's success from the customer's point of view. Balance your internal measures of success with how your customer perceives your performance. For most companies, existing internal performance metrics need to be enhanced to include not only traditional financial measures (e.g., year over year sales comparison, conversion rates, market share, margin, etc.) but also metrics that facilitate management from a customer-centric perspective (customer acquisition and retention rates, customer satisfaction, brand health, lifetime customer value, customer segment performance, customer response, performance of your loyalty program, etc.). Communicate customer metrics as foundation of the company's growth and as a point of differentiation. Use CRM metrics in corporate communications, including the Annual Report and press releases to promote the health of the business.

SALLIE BURNETT
Strategist. Leader. Innovator.

With over 20 years' experience in strategic marketing, sales management and customer relationship management, Customer Insight Group founder Sallie Burnett has built her vanguard reputation by crafting solid customer-centric strategies that drive bottom-line success for her clients. Renowned for her out-of-the-box thinking and wealth of experience, she's been sought out by many of the nation's top companies to engage, keep and grow their customer relationships at every point along their customer relationship journey. Her insight results in better aligned sales, service and marketing, while generating the greatest return on investment based on the voice and value of the customer.

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CUSTOMER INSIGHT GROUP, INC.

Customer Insight Group is a strategic marketing company that uses customer information to help its clients engage in successful and profitable long-term relationships with each and every customer. It provides marketing strategy, customer research, data analysis, program development, implementation and refinement of customer-centric programs including: loyalty, social media, customer engagement, retention, win-back and new customer acquisition.

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