

Nothing is more important than customers in 2009

The fact that Gartner predicted that worldwide Customer Relationship Management (CRM) software revenue would grow by 14% in 2008 doesn't surprise me. The consumer thinking is deeply penetrating businesses of all sizes and the interest in extending CRM applications and strategies into communities and social media is spiralling.

By [Johann Engelbrecht](#) 5 Mar 2009



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Today's top companies know that the most effective way to grow revenue is by developing and maintaining strong relationships with current and potential clients. We see it in companies of all sizes today, where our own employees are building these relationships every day, and helping each other with introductions whenever possible. Such contact collaboration systems locate potential contacts automatically, removing mass e-mails and junk. The strongest relationships are identified by the system, and then the contact seeker can reach out to colleagues, maintaining those relationships to help facilitate an invaluable personal connection.

Cost not an issue

I don't believe pricing is a real issue. CRM isn't popular because it's cheap. Companies just realise it is costing them more not to have these products than purchasing an integrated CRM system. Gartner reports that the strong CRM performance noted internationally had been partly fuelled as a result of the explosive growth of Software as a Service (SaaS) solutions, and there is no doubt that this is the future. With the large introduction of broadband in South Africa, SaaS has become an option here. However, bandwidth is not yet prevalent enough to make SaaS a viable solution.

In the lead up to the FIFA 2010 World Cup it is vital that the tourism sector is aware of all the online opportunities for business. Travel is now the number one selling commodity online and is generating billions in revenue every year. The Internet is becoming the leading source of travel information and sales for the modern consumer, yet very little African tourism is sold online and finding and booking African destinations on the web can be a challenge. We have certainly seen an increase in interest from the hospitality industry with regards to improving communication with prospective clients, and also those enquiring online about accommodation in 2010.

Key benefits

The most important benefit of CRM is shared data. As companies realise that customer relationships are happening on many levels (not just through customer service or a web presence), they start to understand the need for sharing all available data throughout the organisation. A CRM system is an enabler for making informed decisions and follow-ups, at all the different levels. Cost reduction is also an important benefit ar

a strong aspect about CRM is that it is about making the customer a partner in your business, not just a subject. As customers are doing their own order entry, and are empowered to find the info they need to come to a buying decision, less order entry and customer support staff are needed.

CRM has to deliver better customer service. This is the result of all data concerning interactions with customers being centralised. Your customer service department can greatly benefit from this, because they have all the information they need at their fingertips - no need to guess and no need to ask the customer the same questions over and over again. And, through the use of push-technology, customer service reps can lead the customer towards the information they need. And, most of the time, the customer can do this on their own, as the CRM system is more and more able to anticipate the needs of the customer. The bottom line? The customer experience is greatly enhanced; the much touted "customer delight" has happened, if you will.

Increasing customer loyalty

When the experience has been all good, the customer feels that they are more "part of the team", instead just a subject for sales and marketing (the proverbial number), and customer service is better as the customer realises that their needs are anticipated. There is no doubt that customer satisfaction will go up, especially if the products sold exceed the customer's expectation. Of course, no CRM system can help you with shoddy products. In my opinion, the term "satisfaction" is contaminated. Many companies think that if customers are satisfied that this is a good predictor for repeat business. However, this is not the case. On "delighted" customers have a great level of loyalty.

If a CRM system can help to enchant customers, this will increase customer loyalty, and they will keep coming back to buy again and again, hence customer retention. Remember, loyal customers mean repeat business. The repeat business is coming from the delighted customers, who are turned from doubting clients into loyal advocates. If you are delivering the ultimate customer experience, this will seed the word-mouth buzz, which will spawn more new business - and, ultimately, more profit!

Know what your customers want

Due to web and customers controlling their own destiny by engaging in one-on-one relationships with companies, companies need to be more aware of the needs of these customers. The only way one can analyse customer needs and predict what they will want next, is to be able gather enough information and sharing of this information within a company. To facilitate this companies need CRM systems that is easy to configure, fast to roll out and that can adapt to the varying customer needs.

Most companies already recognise the value of a 360-degree view of the customer. They also have come to understand how traditional means of approaching this 360-degree view have delivered only pieces of the puzzle, not the complete picture. As a result, the 360-degree view of the customer has become one of the most elusive targets in business. As technology and CRM systems improve more pieces of the puzzle become available and we get a clearer view of the customer needs and wants.

Evolution of CRM

I don't think CRM will ever reach full maturation. It is an ever evolving concept and as mind sets change and technologies improve, it will always be stepped up or even re-invented. Businesses obviously require an increasingly personalised relationship with their customers, and customers are demanding highly-

individualised experiences with the companies they deal with. To succeed in this, a clear customer relationship strategy is required. A customer relationship strategy fundamentally reshapes your organisation, focusing your people, business processes, performance management systems and technologies on satisfying customers.

With an effective strategy you can:

- Identify, acquire, retain and develop more profitable customers.
- Align your business, marketing, and sales strategies with customer care.
- Achieve a customer centric organization with a clear contact management strategy.

Mobile CRM

So what is happening in the mobile CRM space? Well, the first attempts at Mobile CRM have not been as successful as everyone had hoped. Bulky CRM systems were duplicated on mobile devices and this, as we've seen, has not been the way to go. With the introduction of Web 2.0 and CRM, these concepts have been re-engineered and the applications on the mobile devices are more slick and streamlined to work better on mobile devices.

CRM suppliers have been releasing new editions that have been customised to fit hot, multi-channel smartphones. These systems are integrated with the e-mail and phone mechanisms, have offline access to data, and have been designed to utilise the popular device's navigation and security management. The days when a field sales rep or technician had to go back to the office to get onto their desktop for updates and additional information, are over - for good!

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