

CRM: Survival and Salvation for Today's Business

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With technology stocks plummeting in world markets and financial analysts forecasting tough times ahead, the predictable reaction is for companies to rein in their IT spending.

For many, this is already a reality with the current climate of economic uncertainty prompting many financial directors to tighten their corporate purse strings.

Customer Relationship Management (CRM) is one of the IT sectors' strongest growth areas in recent times. However, as the economy contracts, CRM software vendors and consultants may be in for the rockiest ride of all. The word inside the industry is that it is getting more difficult to secure long-term commitments from companies on Consumer-to-Business communications projects.

Why? Because financial protocol dictates that in an economic downturn businesses should curtail outgoing expenses. But at what cost? There is a fine line between trimming the fat from corporate overheads and severing the arteries that support cash flow.

In some respects, it is hardly surprising that CRM has been one of the first areas of IT spending to come under heavy scrutiny. With several big names wading into the market recently, we have seen what happens when software developers and 'solutions providers' try to cram too much into one area.

The rise and fall of CRM as we know it

CRM has become an almost meaningless acronym used to encompass everything from call center software packages to email marketing campaigns. Worse still, many of the big players have sought to squeeze all of these disparate elements into one colossal package. With a great deal of time and money spent, most companies now realize that this type of approach is usually very slow and poorly focused.

One of the greatest stumbling blocks of most so-called CRM packages is that they are simply too big and cumbersome by design. By the time they are conceived, programmed, configured, installed and commissioned, the company's needs have changed and the software is outdated. To overcome this problem, companies need to be more specific when defining the parameters and objectives of their CRM strategies. The best way to do this is to divide CRM into more manageable sub-groups and then specify that modular software be deployed.

The first consideration should be how effectively your company manages various forms of customer feedback. Customer Management requires a well-planned and methodical approach. Today's customers are omnipresent—they shop at your store, they utilize your website, and they call your 800 number. To complicate matters, the introduction of wireless technologies has created even more communication channels. With so many

choices for customers, companies must be on their toes when it comes to handling feedback.

Rising from the ashes...

Software based on a modular configuration allows companies to progressively update their CRM system. It is a step-by-step approach that allows customer-facing areas of the business in most dire need of attention to be seen to first. Other, less critical customer service initiatives can simply be attended to at a later date.

Modular software, which is supplied by a vendor that is prepared to work with the client, makes all the difference, particularly in challenging times when return on investment is paramount. With this approach, companies are able to prioritize their CRM expenditures. While providing greater flexibility, modular software also enables companies to plug-in or remove elements of the Customer Management solution that are relevant to different business units. This enables each business unit or department to specify and receive exactly what it needs. An accounts department, for example, may require CRM software that interfaces with transactional database systems.

A unitary design is also the closest one is likely to get to a future-safe solution. As modules age and perhaps become redundant, they can simply be detached, upgraded, and re-implemented. When this happens, downtime is rarely an issue as other, unaffected elements can operate autonomously and remain live.

Few businesses that remain static survive. Products and services change and so too do communications techniques and customer expectations. For a business to grow, it is important that its CRM system has the capacity to change with the company. To do this, it must be equally fleet-footed and flexible.

Enterprise-wide CRM

In modern business, CRM is no longer just the concern of the call center. Servicing customer requirements is quickly becoming the responsibility of every individual within the organization.

And as the recession bites, it is likely that businesses will continue to flatten their corporate structure, increasing their customer-facing surface area. For the ensuring communication to be effective, staff must be equipped to deal directly with customers. In most cases, it will be imperative that staff has the appropriate customer service records and details of past correspondence at their fingertips.

So, why is it that most CRM solutions start and end with the call center?

Collectively, US companies have poured billions of dollars into new call center technologies, new equipment that is designed to help them 'manage' their customers better. For the most part, these technologies have ushered in real improvements.

Automated information services and instant access to customer databases have produced more slick and efficient help desks.

There are many shining examples of companies that have used new CRM technology to bring their call centers up to speed with the demands for information and services made by today's customer. For many companies, however, this transition is still very much in progress.

But what happens when customer contacts are fielded by those in the company who are based outside of the call center?

How many times have you telephoned a company only to be told that you have come through to the wrong department? Ever been told to call back, rather than being transferred to the right person? Infuriating, isn't it?

To build and enhance relationships with customers, the first step is to recognize that communication is an ongoing process. Any given customer may have cause to contact a company on numerous occasions. Perhaps the customer initiates communication with a company on several occasions in one day; perhaps this discourse is more sporadic and spread over a longer time frame. Whatever the case, it is likely that several staff members will come into contact with the same customers.

As a result, companies need to consider the consistency of the information and responses they are presenting. Is staff able to immediately pick up where a colleague left off? If the answer is, "I sincerely hope so, but I seriously doubt it," then you may need to reevaluate your Customer Management solution.

Sharing the responsibility for customer service is about more than simply inserting a clause into the corporate mission statement. It is about giving your people the tools they need to manage customer feedback more effectively. The first step is to supply the appropriate CRM software at all Consumer-to-Business contact points.

In times of economic boom, it is comparatively easy to establish a business and watch the revenue roll in. It is amazing that just a few months ago, the press was touting the fortunes of the latest dot-comers.

The economic downturn has brought most business minds back to planet Earth and back to a more fundamental idea—**Your business is only as strong as your customer base.** It is, therefore, a critical time to return to more tried and true business practices. To stave off the competition and survive the economic low, companies must secure revenue streams. The only way to do this is by taking care of customers through the deployment of more effective, modular CRM systems.

About Swallow Information Systems

Swallow Information Systems is a leading global provider of Consumer-to-Business Customer Management software and services designed specifically for Consumer Affairs, Customer Services, Guest Relations, and other customer-facing personnel.

Building on more than 11 years of industry experience, Swallow Information Systems assists companies worldwide effectively deliver on their CRM (Customer Relationship Management) strategy by providing them with a comprehensive software solution. CHARTER continuum™ provides organizations with a true competitive advantage by managing all forms of consumer feedback in one centralized system. By utilizing our solution, our customers have experienced improved loyalty, increased customer retention, and a rapid return on their investment.

CHARTER continuum incorporates the powerful, customizable reporting capabilities of BusinessObjects®, which allows companies to analyze their customer feedback and identify trends. CHARTER continuum also incorporates a flexible diary management system and a call logging wizard to increase the accuracy of records.

Swallow Information Systems also provides Customer Relationship Management application integration and consulting services, enabling companies to incorporate their customer feedback system into their corporate customer service strategy.

Swallow Information Systems' customers include such world-class companies as Staples, Canandaigua Wine Company, Consumers Union, Rowenta, Mitsubishi Motors Ltd., Harrods, Laura Ashley Group, and British Telecom.

Swallow Information Systems was founded in 1990 and has headquarters in Beverly, USA and Walton-on-Thames, UK.

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