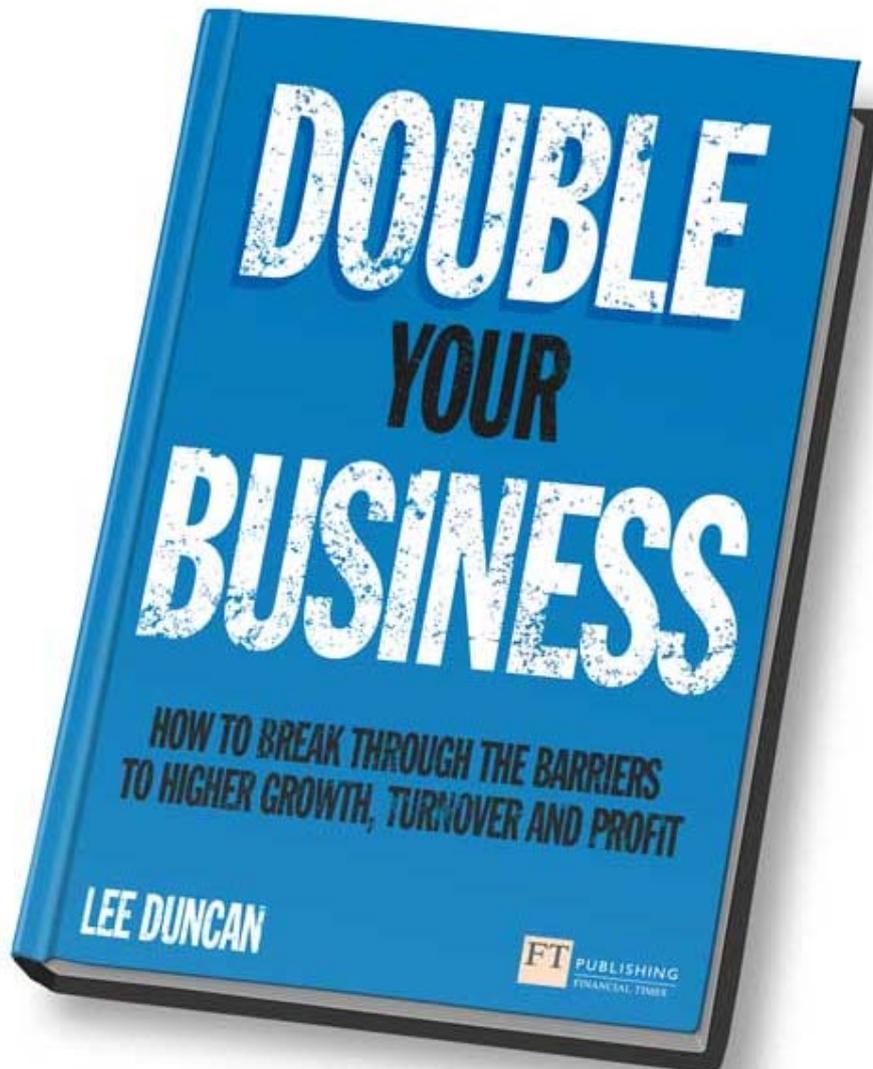


Choosing & Using CRM

A short guide to selecting and introducing a Customer Relationship Management System to your business.



A free guide for readers of *Double Your Business*

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www.Double-Your-Business.com

Introduction

This guide is designed to help you understand the value of using a professional quality Customer Relationship Management system (CRM) in your business.

It also gives some simple guidance about choosing a system that will grow with your business and provide all the right functions to help you keep growing.

This guide is a free extra that supports my book, *Double Your Business*, from Financial Times Publishing. If you haven't bought my book, but find this guide useful, do yourself a favour and get the full book too – it'll be the best £15 you'll invest in your business this year.

For any business that's serious about growth, the effective management of customer information at all stages, from before the sale, then during the sale through to looking after your customers forevermore. By being more organised with all of your customer facing activities you will close more leads, provide better service and make more profit.

This guide explains CRM and helps you to figure out how to introduce CRM to your own business.

What is CRM?

CRM systems are designed to improve the way your business interacts with your existing and future clients. They tie together the activities of your salespeople with the customer service and delivery operations to provide a better overall customer experience.

They can also automate many of the manual steps involved in your sales and marketing, so that leads and enquiries do not fall between the cracks and get forgotten. This factor alone can save your business many thousands of pounds in lost sales.

Because they automate the processes within your business, it makes it easier for you to monitor the activity across your business and quickly identify any bottlenecks or problems. You can also monitor the performance of your marketing campaigns and your salespeople, giving you the data you need to manage the all-important customer acquisition end of your business.

The secret to choosing the right CRM for your business is to understand what you might need for your business. Some CRM systems are more capable than others.

Here is a list of features for you to identify things that you want for your business. Knowing what some systems can do will open your eyes to the benefits for your own business.

Comprehensive Contact Management

All CRM systems provide a single database of customers for your whole business. This provides a common view for you, your sales people, customer service and back-office functions like finance and admin. Customers can be flagged as late payers, identified as key accounts, assigned to particular sales people, etc.

Some basic functions that most good CRM systems offer and most businesses can use are:

- **Comprehensive contact database.** Shared between all parts of your business, this central database records all information pertinent to a given contact.
- **“Tagging”.** Add information to customer records about their preferences, past purchases, interests, etc. These tags can then be used to deliver very tailored marketing materials and promotions.
- **Audit Trail.** A record of calls, deliveries and letters to customers provides a record of communications with a customer. Great for monitoring the performance of your business and powerful to help you get to the root of customer complaints without getting the wool pulled over your eyes.
- **Advanced search functions.** Find customers who’ve placed specific types of orders, or who are currently waiting for a callback, etc.

- **Plan Next Actions.** There's a diary of actions both planned and past included with each customer record, so you can see when they are next due to be contacted and by whom. This sort of sophisticated planning ensures that no customer slips through the net.
- **Accounts integration.** Many CRM systems can link into Quickbooks, Sage or other accounts packages. Put orders on hold when accounts are overdue, flag failures in credit checks, etc.
- **Miscellaneous data.** Record extra information that relates just to your business and store it against each customer. For example, you could have “top 20 customers” information, or details of the particular types of products/services they buy.
- **Workflow automation.** Simplify the delivery of great sales performance and customer service by building processes into your CRM system. In this way phone calls, letters, e-mails and actions for your team are automatically produced according to a preset workflow. This provides incredible benefits with regard to increasing sales performance and improving customer service, because a computer system doesn't forget what it's been told to do.
- **Reporting.** Track performance of your sales team by measuring their activity and conversion rates, identify your best sources of leads, understand how quickly

customer service is reacting to enquiries, identify your best customers, missed opportunities, estimate the value of your future sales pipeline, flag hot prospects. All of these are possible with the reporting offered by good quality CRM systems

- **Marketing campaigns.** Record your marketing campaigns within your CRM and track performance by capturing leads produced from each source.
- **Marketing automation.** Some CRM systems have integrated e-mail auto responder systems that are at the hub of sophisticated marketing delivery systems. These are capable of capturing leads from websites, sending a planned sequence of e-mails and even letters and text messages, to turn website visitors into leads. I personally think this feature has huge benefits for small businesses because it allows us to operate with the sophistication of much bigger enterprises and compete with them.

As you can hopefully see from the list above, there are many benefits to be enjoyed when you employ an effective CRM system in your business. But it does come at a price: everybody in your business has to use it properly.

If you, a key manager or any member of staff decides the system is too difficult for them to use, the data quickly becomes useless. It is therefore crucial that you introduce

CRM as part of a change in working practices for your business.

The larger your business the more challenging it can be to introduce CRM. Your choice of system will be less important than your commitment to using it 100%. But get it right and the rewards can be as much as 30% or more increase in sales.

Types of CRM System

there are four main types of CRM system for you to consider. While each has its pros and cons, I generally recommend that my clients choose one of two types. Before we get to that, here are your four options.

Outlook Extension

Several companies offer pseudo-CRM extensions to Microsoft's popular e-mail package, Outlook. While these may be attractive in terms of pricing, they are unlikely to offer the rich functionality and feature-set of the fully fledged CRM systems.

Even Microsoft themselves offer a contact management expansion product for Outlook. It's called business contact manager and is part of their top version of Office.

In general I would suggest you steer clear of Outlook extensions for your CRM needs unless you are a one-man business with little need for marketing automation.

Online CRM

Commonly called Software as a Service (SaaS), it's possible to buy a service on a monthly basis that provides comprehensive CRM functions and features. Prices vary from around \$100-300 per month for a small business.

While this may sound expensive, the features offered and the fact that technical problems like backups and performance issues belong to somebody else can make it an attractive deal.

This is the approach I use myself, despite having a very small team.

Dedicated Locally-Hosted CRM

For those who prefer to have everything under their own control, hosting a CRM system on their company server can be a sensible choice. There are options ranging from free open source software all the way up to enterprise level solutions.

The big advantage of locally hosted systems is that you are not dependent upon your connection to the Internet, your ISP or any other parts of infrastructure “out there in the cloud” to be able to run your business.

The importance of this will depend upon the quality of your Internet connection, along with personal preference. For myself, if the Internet’s down I’m scuppered anyway because e-mail is such a central part of my business!

If you have a professional IT support team and like the flexibility to be able to customise and tailor your applications to suit your business, this may be a good alternative to the online solutions.

Home-Made CRM

If you have existing systems that provide some of the functions of CRM, it can be tempting to try to build your own CRM system. If you have very simple needs of CRM, such as scheduling next calls for a sales team and recording sales performance then it may be sufficient.

On the other hand, established CRM systems offer such a rich feature set that the cost of replicating this in your own system may be prohibitive. If you try to do it on the cheap then don't expect to get high-value results.

IT companies and consultants in particular seem to like building their own software. Having seen the results of this several times over, I urge you to reconsider and instead look at the options available from established CRM vendors.

How To Choose Your CRM System

The most important aspect of choosing any CRM is not the system itself. Rather it is the discipline and commitment behind its introduction. A business that places a mediocre CRM system at the centre of their operations and activities will outperform a similar business that pays only lip-service to a superior CRM system.

With this in mind, here are the two CRM systems with which I am personally comfortable enough to offer recommendations.

Infusionsoft

This is the system that I personally use because it offers full marketing automation along with the normal CRM features. It also has e-commerce capabilities built into it, allowing you to build an online shop with complete order processing, as well as handling affiliate partnerships (introducers and agents).

Many of my clients have chosen Infusionsoft because of its power as a marketing “engine” for your business, with the capability to send emails and instruct staff to send letters etc to customers at predetermined times. This makes it very powerful for marketing automation and helps you with customer service too.

You can find out more by visiting

<https://crm.infusionsoft.com/go/viewdemo/lduncan/>

Sage ACT!

ACT! has grown from a basic contact management system into a well-featured small business CRM. It's the system that many of my clients have used and it's the one I used prior to switching to Infusionsoft. It's a small business package that can be installed on your PCs and if you have one, your Windows server. If you plan to grow beyond about 10-12 staff, you may want to look at other options, although one of my clients has used this very successfully with a team of 30 staff. At this point he was starting to look at a more scalable solution, as *Act!* is not really designed for this volume of users.

If You Have 10 Sales Staff or More...

Your needs are likely to be more complex and so it will pay to use an expert to help you choose the right solution. I recommend Collier Pickard Ltd, who provide independent advice on CRM solutions and pay particular attention to the training and adoption of the CRM by your team. It's this, rather than the software itself, that will bring the biggest returns. You can find them at

<http://www.collierpickard.co.uk/>

About The Author

Lee Duncan is a published author and a leading small business growth expert. He works closely with a small number of businesses each year to help them achieve remarkable results. His website can be found at www.leeduncan.com

If you are ambitious, hard-working and willing to make changes to produce exceptional growth, please get in touch to book your free 30 minutes *Growth Consultation*. This involves completing the Barriers to Growth Questionnaire to identify your key challenges before the call and then goes on to:

1. Analyse which specific Barrier most urgently requires attention
2. Develop a vision for the future growth of your business to help you unlock your full potential
3. Plan the first steps to get you quickly moving forwards

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