

## CRM'S FULL CIRCLE

*Rob Brickle questions whether the latest customer management trends are that new.*



**Rob Brickle: more emphasis is being placed on customer analytics**

I have previously discussed the need to have a properly defined customer management strategy. One and only one element of this is the supporting technology. CRM software solutions in the broadest sense are clearly here to stay (or at least that is what all the press hype says). All the industry indicators suggest that organisations are, and intend to carry on, spending in this area.

We have seen consolidation between some of the big (and little) vendors and this will probably continue. Undoubtedly this has an impact on the user from a technology and platform perspective.

Whilst all this is going on, the vendors will of course be enhancing their products, and the environment in which all businesses operate will be changing. This change impacts organisations at all levels, from the architectures they use through to the business environment itself.

So what are the trends that might affect CRM in the next 12 months? How have these varied historically – and are they indeed new? Looking at what historically we have been faced with, over the last three to four years we have seen:

- Vendors moving towards service oriented architectures and a huge debate around whether to implement CRM onsite or go with a hosted solution. Hosted CRM vendors, and in particular salesforce.com, have done a magnificent job of creating market awareness and allowing organisations to have a low-cost entry into the CRM world to explore and develop their use of the tools. The danger for any IT department in this context is that end users are particularly attracted by the quick, cheap, risk-free way solutions can be implemented, as well as the fact that you don't have to involve IT!
- Emerging technologies and their impact and integration issues with CRM solutions. Here we have seen such things as portals (although these are not new); business process management or BPM (again not necessarily new but a resurgence and re-packaging of some of the old BPR and workflow management practices – in fairness perhaps the major difference now is that it reflects the enterprise rather than the department); and customer data integration or CDI (aggregation of customer data that provides a single view of the customer and their value – supposedly helping to determine effective strategies for managing, and continuously augmenting, your customer relationships).

### Future

So what are the main CRM trends that are likely to impact in the next 12 months?

- Integration is still in there. CDI and BPM are still being talked about in the context of this, as are service oriented architectures, which may suggest thinking in these areas hasn't matured sufficiently. The only new (?) element is the increase in emerging web services standards and how these may affect, in particular, the delivery of hosted solutions. Clearly, control here is outside the domain of the internal IT department.
- Customer analytics. Again not necessarily new but perhaps more emphasis is being placed on this area as organisations try to better understand the value of their customers and how to optimise that value. Clearly the usage and type of tools and analytics used will vary significantly, depending on the churn in the customer environment and the type of product or service being delivered. This will also significantly impact the investment you might want to put into any initiatives in this area.
- A re-appraisal and development of e-commerce applications. We have left the heady days of dotcom and the plethora of solutions that manifested themselves then. Now that technology has largely settled, it could be time to

review and overhaul some of the infrastructure and engines that support it.

Maybe these repeat trends just go to show that, whilst we live in a fast-changing technology environment, things don't necessarily always change that quickly!

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