

NOT JUST THE TECHNOLOGY

Our new CRM expert, Rob Brickle, says the key to successful CRM is to understand that it involves much more than software.



Rob Brickle: adopting a CRM solution requires cultural and organisational change

If we put so much effort and discipline into the financial and business planning of our organisation, why don't we put an equal effort and formalised approach into the way we manage and improve our customer relationships?

Ultimately, managing customers and competing in the modern world is about two things – aligning with your customers and driving change to maintain or improve that alignment.

Technology won't do this for you. Companies need to stand back from CRM systems and consider the broader question of what is the best way to manage relationships. The likely benefits include the ability to improve customer retention, increase profits, acquire new business and improve your operational effectiveness, ultimately leading to growth in the bottom line.

The problem with CRM software implementations is not so much identifying the potential gains, it's working out how to get to them.

It's not that the business drivers have changed, or that expectations now are very different. In many cases, the business drivers are insufficiently understood – and this has been the root cause for CRM failures. In an area where technology spend can be so significant, it is amazing that often so little investment is put into planning and strategy for the implementation of CRM systems.

CRM systems are still often sponsored by IT and therefore seen as a technology solution. But CRM systems should be a business-driven solution requiring a cohesive customer management strategy. Businesses need to recognise that adopting a CRM solution requires significant cultural and organisational change.

Focusing on the technology for a moment, there are of course integration issues to consider and these are not new. Yet they often remain a key inhibitor to implementation. If the objective is to achieve some form of enterprise data warehouse to help manage customer interactions, this is hardly surprising when you consider that the data is often held in disparate source systems.

The ultimate aim remains to provide organisations with a single view of the customer, an enterprise-wide customer history available to all and a seamless channel experience for all customers. However, reaching that point is considerably more difficult than defining the goals.

Web services may be able to help alleviate the problems, but not necessarily across all industries. To succeed, of course, will require a high degree of integration between the web services and the desktop. If all this seems rather complex and hard to assimilate, then one possible answer for potential CRM users is to look for a hosted solution.

Small to medium-sized businesses can rarely, if ever, afford the costs associated with a large-scale CRM deployment. Hosting provides applications effectively on-demand and at low cost. Whilst this has an obvious advantage, it still requires some form of inbound and outbound integration.

CRM is clearly here to stay. While the jury is still out on the true value and success of many of the implementations, the market appears to be continuing to expand. The question is: to what extent is this really being driven by the large application vendors, who are seeking new markets to sustain their revenues?

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