Decide with Confidence

How can you ensure CRM really delivers on its promises?

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The promise of CRM

Type the words 'Promise of CRM' into Google and you'll find that industry experts have been bemoaning CRM's failure to deliver on its promises for more than a decade. And yet, properly implemented, CRM has more to offer than ever – particularly for Sales and Sales Operations. So why have so many CRM implementations failed to deliver their anticipated benefits, and how can you ensure that whatever your previous experiences, your system achieves what you've always wanted it to?

Why all the problems?

In a summary of the top ten factors for CRM implementation failure, CRMsolutions.com cites research suggesting that over half of all CRM implementations in the North American market and 70-80% of those in Europe fail to meet their objectives. The factors quoted by CRMsolutions.com as contributing to these failures include:

- Not defining clear objectives for CRM software implementation
- Not attaching measurements to these objectives
- Failing to review and define the business's key performance indicators
- Over-customisation of the CRM software, particularly during early implementation phases or before the software has been utilised in a test environment
- Not incentivising employees to use the system, contributing to issues with user adoption
- Insufficient training and support, especially prior to and post-implementation
- Poor user buy-in due to incorrect, incomplete, inaccurate or bogus data
- Failure to align the business operations of the divisions utilising the CRM system
- Failing to ensure that operations are not only aligned across sectors, but also that they share consistent processes for customer interaction
- Not planning for change, or how to effectively deal with unexpected budget, cost or time overruns

Even the briefest review of published literature on the subject of CRM failures shows these kinds of issues being reported time and time again. So why do they keep on occurring, and if you think they might be impacting the effectiveness of CRM within your organisation, what can you do to prevent them?

The crucial role of Sales

With solutions such as Microsoft Dynamics, Oracle (including Siebel), SAP and Salesforce.com making CRM accessible to a broader range of organisations than ever before, there can be a tendency to think that simply deploying the technology will solve all a business's CRM issues. Yet for most organisations, the reality is that not only do they need to identify the technology that best suits their needs – they also need to address a wide range of issues related to their processes, people, how the system will be used, training, interaction and their data. Of these, data is widely recognised as the single biggest cause of CRM failure, and one of the underlying reasons for this is the role of salespeople in managing and maintaining CRM data.

CRM has more to offer than ever – particularly for Sales and Sales Operations

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According to Director Magazine, 42% of CRM failures are due to poor data quality, which has knock-on implications for Sales, Marketing, Customer Services, Finance and Management.

Typically, the day-to-day management of an organisation's CRM system will be the responsibility of Sales Operations or a dedicated CRM team. Sales will use the system, and will also be expected to update the data it contains. Marketing will rely on this customer and prospect data for campaign planning and execution. And CRM budgets may be owned by Sales Operations or any of these teams.

Although this seems a logical arrangement it can create a variety of issues, particularly related to the role of Sales. Salespeople want to spend their time selling – not inputting data. They may not see this as part of their role, or may resent being asked to share information on customers and prospects with colleagues who may 'steal' their best leads – impacting their livelihood. Salespeople can also find CRM systems difficult to use, and perceive them as a way for the business to manage their activities – rather than as a tool to help them manage and benefit from higher quality customer interactions. And taken together, these factors can contribute significantly to the kinds of issues with data quality and lack of user adoption described above.

The critical role of data

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- Marketing – for example in terms of the accuracy of customer segmentation and targeting, and the ability to maximise the return on investment of marketing campaigns
- Customer Services – particularly in relation to customer cases and issues
- Finance and Management – by impacting the accuracy of forecasting, pricing and planning

As well as being entered by salespeople, the data held in CRM systems can originate from a variety of other sources. Marketing may create or buy in lists, and many organisations are making increasing use of inputs from new sources such as email campaigns, webforms and social media. To be useful, all of this information needs to be validated, while for Sales purposes it also needs to be qualified through lead nurturing and lead scoring – both of which are major challenges for solutions such as Marketing Automation.

How to address these issues?

For CRM to truly deliver on its promises, what is therefore required is a source of CRM data that minimises Sales involvement in its maintenance, and that salespeople can rely on to be timely, accurate, comprehensive and reliable. It should also increase adoption by improving salespeople's ability to sell - for example by closing deals faster, and enabling access to information and insights such as firmographic and corporate linkage data that helps them more easily identify and benefit from new opportunities for cross- and upselling. And it should help organisations deal with the exploding volume of available data, by linking with unstructured data such as news and social media alerts related to companies and individuals.

D&B tools enable an organisation to integrate its existing data with up-to-date D&B global data (including corporate family trees) taken from a wide range of business and social media. It's available through a CRM system to provide a single view of customers and prospects.

As we've seen, this in turn will benefit the entire organisation including Sales Operations, Marketing, Customer Services, Finance and Management. D&B can help organisations deal with all these issues, through the integration of real-time data, tools and intelligence into the CRM system, which in turn delivers a wide range of benefits for Sales and Sales Operations:

- D&B tools enable an organisation to integrate its existing data with up-to-date D&B global data (including corporate family trees) taken from a wide range of business and social media. It's available through a CRM system to provide a single view of customers and prospects.
- Existing data is matched against D&B's database to generate unique DUNS Numbers to assign to each company and location. This identifies customers that have moved or ceased trading, delivering a clean, accurate and duplicate-free dataset back into the organisation's CRM system. DUNS Numbers enable access to up to 100 pieces of information about each company.
- Type in a company name, and an accurate and complete company CRM record can be completed in seconds. Data is automatically refreshed on an ongoing regular basis through Data as a Service to free up Sales.
- D&B tools will automatically alert Sales to changes in data; it can prevent the creation of duplicate records, and will integrate and verify information from new sources such as webforms.

As well as cleansing and enriching an organisation's CRM data, D&B's latest solutions can also help to increase user adoption through advanced capabilities enabling salespeople to:

- Search for contact names by company and job title, and compare these against known contacts associated with existing accounts.
- Access the latest social media information on companies and contacts, in order to make faster connections.
- Quickly identify new prospects and shorten sales cycles based on key criteria that the salespeople themselves select.
- Build 'warm' prospect lists based on the characteristics of 'best customers' that they have already been successful in selling to.
- Retain and grow accounts by using data on the corporate linkages and family trees of their existing customers to immediately identify opportunities for cross- and upselling – including details of the most appropriate individuals to contact.
- Access detailed research, competitive and industry 'pain point' data which can be invaluable, for example, in selling into potential new accounts, or to an existing customer with operations in a new or unfamiliar market sector.
- Combine all of the above into a single, global view, to give as detailed or as basic a perspective of each organisation as the salesperson needs to support their day-to-day activities.

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Freeing CRM to deliver on its promises

It's essential to communicate to Sales a clear vision and objectives for the system. Maximising buy-in from them by:

- involving them in the design of the system
- listening to their feedback
- making it user-friendly

It's also crucial to demonstrate a return on investment; e.g. highlight the added value that CRM brings to Sales, and the sales wins resulting from its deployment.

Within this context, by enabling your organisation to effectively remove its data issues, and giving you advanced tools through which to make your salespeople more effective and successful, D&B can offer a range of potential benefits for your Sales and Sales Operations teams, and your broader organisation:

- For your Sales team, the ability to access reliable, auto-updated data reduces the administrative overhead of CRM, and gives your salespeople a much richer source of data with which to do a better job. D&B's sophisticated tools also make it easier to identify and target new opportunities, including warm leads for cross- and upselling – all of which benefit individual salespeople personally.
- Your Sales Operations team, meanwhile, can benefit from improved management of Sales workflows, increased conversion rates, fewer missed opportunities, more reliable forecasting, reduced costs of sales, and increased customer satisfaction and retention, leading to greater lifetime value.

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- As we've seen, this presents compelling downstream benefits for the rest of your organisation including Marketing, Customer Services, Finance and Management.
- And, with the CRM system containing a single dynamic view of customers and prospects, and acting as a crucial component when on-boarding new customers, it can become a true Enterprise CRM solution accessed by teams and other systems such as enterprise resource planning (ERP).

To find out more about how D&B can help your organisation to quickly begin to realise the true promise of CRM, please contact us on 01628 492299 or visit www.dnb.co.uk/marketing.

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