The New CRM and the New Customer Journey: Driving Growth and Profit for Modern Companies

| MAXIMIZER CRM

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Introduction

The old sales model is dead. And the old siloed approach to Customer Relationship Management (CRM) technology has fundamentally changed. This short paper is designed to elucidate to small and medium-sized business directors how CRM technology has become THE fundamental tool for implementing business growth strategies around the new customer sales journey. It begins to answer questions such as, *"What is the CRM layer?"*, *"How does the new CRM help businesses manage customers and prospects better?"*, and *"Who needs to use the CRM layer and why is it fundamental to building a business?"*

Sales is no longer the source of expertise it used to be for customers and prospects. The traditional sales 'funnel' has advanced into a customer journey where customers are highly informed and they indicate, through their buying behaviour, when THEY are, in fact, ready to buy. Any business that is seen as informative, expert and helpful as the customer progresses along their 'journey' towards purchase, puts itself in pole position to be considered a favoured supplier.

Using a CRM solution to track, inform, guide, manage and measure the customer experience allows a business to spot when a prospect or customer might just be in buying mode. CRM solutions also help to manage those danger points when something is undermining the customer experience and may cause defection. In theory, everyone in the firm should be responsible for a positive customer experience and, subsequently, for the revenue and profit growth which will inevitably follow.

Today's self-educating and empowered customers are

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pushing businesses to re-think strategy. The new buyer-seller dichotomy is putting a lot of pressure on businesses as the customers are consistently expecting high-value experiences and will have no qualms about changing their allegiances if the business does not deliver. Implementing the CRM layer is vital for businesses in order for them to be in a position to use intelligence about the customer's overall 'experience' to deliver stand-out customer service.

"Customers are self-educating and are the ones who are in charge."

The key to businesses success is to be positioned to anticipate their customer's future needs and to create customer experiences that offer genuine value. Global research firm, Gartner, estimates that by the year 2020 brand loyalty will be based solely on experience rather than price points or the quality of service or products.[i]

A CRM solution is the highly anticipated customer intelligence tool, not just for sales and marketing but in fact, for all functions of the business. By providing access to customer intelligence to all departments (using the CRM layer) ensures Return On Investment (ROI) is multiplied several times over without disrupting existing operating systems and technology. The CRM Layer is effectively the central hub to which all decision driving company information is relayed. When everyone can access the same pool of customer intelligence, then every department's actions become more intelligent, nurturing more satisfied, profitable, loyal customer relationships.

The rest of this paper looks more specifically at the role CRM plays in the new customer

"Implementing a CRM solution as a layer over the business (and drawing from) all other involved systems facilitates maximizing Return on Investment."

journey, highlighting the key points that businesses need to be aware of to maximize their customer's goals. The take-away points are: the importance of CRM in the world of the self-educating buyer, the need to reposition the CRM solution as a layer across the business, and the business benefits that come from this repositioning.

The new customer journey and the self-educating buyer

The traditional buyer-seller relationship has changed and any business that is not adapting accordingly is going to lag behind their competitors. The power of the internet has given today's buyers the power to compare features, process, quality and customer satisfaction with competitors, meaning today's customers are self-educating and ultimately they are the ones who are in charge.

"The traditional buyer-seller relationship has changed and any business that is not adapting accordingly is going to lag behind competitors."

i   LinkedIn Pulse, Michael Million, The new customer journey: it's a personalised marathon not a sprint, December 2015

This new customer journey consists of multiple channels, digital marketing, social media and high competition for customer's attention. The key for businesses to be in a position to cope with the new customer journey is to implement an integrated marketing plan in order to be suitably positioned to influence the customer's buyer journey. Implementing a CRM solution that runs as a layer throughout the business means more intelligence will be available to the business as a whole meaning it is better armed to manage the customer relationship.

"Using CRM to cope with the new customer journey means businesses can deliver strong customer experiences which are coordinated with the multiple channels which today's customers are using."

Using CRM to cope with the new customer journey means businesses can be prepared to be one step ahead of the customer and can deliver strong customer experiences which are coordinated with the multiple channels which today's customers are using. Furthermore, having access to the customer insight puts businesses ahead of competitors as well as generates better leads and improved communication from all facets of the business. This approach is less about the hard sell and more about the information and guidance the prospective (and existing) customer is seeking. This is something that should not be under-estimated as Forrester research shows that businesses that excel at lead nurturing generate 50% more sales-ready leads at 33% lower the cost.[ii]

New world CRM – What it can do for a business

CRM is no longer an IT issue; it is a strategic

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tool that gives businesses a needed competitive edge to collaboratively work towards achieving the company's collective goals.

More customer conversations

Businesses need to treat their CRM as much more than just a database to house contacts. It should be used as a tool for creating a customer-focused business culture that gives the whole business an advantage over competitors. The CRM layer also helps to generate real conversations with customers, and then collect, and act on, customer feedback from that dialogue. It important to remember that few companies yet have convincing conversations with customers, so there is big opportunity here for businesses to differentiate.

In today's business environment, access to customer information remains firmly linked to market effectiveness, so a robust CRM platform is essential for businesses to withstand the effects even of a strong rival. The intelligence

[ii] Hubspot, All the marketing statistics you need, 2014

which is drawn out of a CRM solution needs to be leveraged to understand, target and service existing customers and to build up a strong reputation with prospects.

More intelligence at the fingertips of all functions to manage the customer relationship

Implementing the CRM layer across the entire business, will require a strategic re-think as all company directors should be focused and measured on the contributions which their departments are making to the customer experience. This is important as they should all measurably help drive growth by using CRM tools that empower them to be pro-actively involved in business development.

"CRM is no longer an IT issue; it is a strategic tool that gives businesses a needed competitive edge to collaboratively work towards achieving company's goals."

When implementing a CRM layer, a business needs to involve all levels of management and emphasise to them, the importance of collaborative working in order for the business to grow and increase profits. When implementing this type of dynamic, it is important for businesses to host group management discussions to ensure everyone involved is on the same page; and if implemented as a formal process, all those involved can take responsibility for nurturing those all important customer relationships.

If customer revenues start to fall, then it is critical to discover why and understand what the source of the customer's dissatisfaction is. Reasons can range from the fact that they are dissatisfied with the product, they are receiving irrelevant marketing offers, there are significant invoicing errors, etc. Having access to data which could help businesses intervene before the problem escalates can go a long way in preventing defection. Equally, if customer revenues are increasing, then businesses need to understand why. And credit needs to go where it is due: a great new product; fantastic nurturing of relationships; effective service calls; wherever real excellence is truly enhancing the customer experience. All this is easily possible if all departments (and their systems) are plugged in to the CRM layer.

More intelligence feeds conversations and actions

In order for businesses to target their customers with personalized messaging and offers depends on the quality of the data which they are accumulating. It is necessary for businesses to implement a strategy where all accumulated customer data is compiled to create a unified profile of their customers which can be used in real-time to better target both, existing, and prospective customers.

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Every interaction which a business has with a prospect should work to lead and inform the next interactions. This means that this

information is providing actionable insights for Sales to act on. For example, if someone downloads the latest whitepaper which a business is offering, it might indicate that a prospect is looking for preliminary insight, but is not yet ready to purchase. However, if a prospect has requested a free evaluation tool, this could signal that they have a greater degree of interest and would merit a more personalized interaction.[iii]

Conducting analyses of historical lead-to-purchase journeys will provide a starting point to decide when a customer's consumption of interesting content has reached a point when they are effectively indicating a strong likelihood of buying and only now is that sales call truly fitting. And remember, even if a lead says "no" today, it does not mean that they should then be disposed of; all the already collected data can be used to keep nurturing the prospect until they are sales-ready.

More automation, more flexibility

One of the major benefits of implementing this CRM layer into the business is the flexibility which it offers – this is even more pertinent now that CRM solutions have been made available in the Cloud. In fact, one of the most utilized cloud software tools is CRM solutions. Software-as-a-Service (SaaS) CRM solutions are being adopted by more and more businesses, in fact, according to Gartner, SaaS CRM solutions will reach 50% of all CRM deployments by the start of 2016.[iv]

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The reason why businesses are rapidly adopting

cloud CRM is because it can easily be integrated with other business applications, that can all work simultaneously to increase efficiency and ROI. The CRM layer provides a 'single version of truth' – maintaining all customer information in a single –up-to-date repository.

Businesses providing their customers with personalized attention are consistently enriching their customer's experience all while profitably developing the customer relationships. This is where the CRM layer comes in to play, as it enables automation while retaining personalization and relevance. Clever marketers, account managers, finance managers and customer service reps are organizing the things they need to say to customers into a series of components, which are combined differently to suit different customer types, or are triggered by particular customer behaviours or actions – all made possible by the CRM layer.

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More frequent analysis of the customer

CRM data is invaluable when it comes to analyzing existing and prospective customers.

[iii] KPMG, 7 Steps to better customer experience management: improving customer management to drive profitable growth, 2011

[iv] eWeek, CRM adoption to reach $24 Billion in 2014: Gartner, February 2014

Businesses can use the CRM layer to track progress of prospects and returning customers in their buying journey and can ensure that all necessary intelligence on them is kept in one single repository. This means that businesses are prepped to understand how different types of customers behave, and to identify what actions are needed to retain and if possible upsell to those customers to increase the amount of revenue and profit which they bring.

Using the CRM layer as a single collective point for all customer intelligence means patterns of behaviour can be frequently refreshed. This is particularly important in volatile markets. A new competitor entering the market, or a new regulation, or seasonal fluctuations, or a new fiscal policy, can radically alter customer behaviour and motivations from one quarter to the next. It is then the business that acts the fastest to get to grips with these effects on the customer that will gain hard competitive advantage over its slower rivals.

Moreover, it's not just about existing customers. In today's day and age of the self-educating buyer, the CRM solution can be used to start preliminary conversations with prospects, understanding their likely actions and reactions, and starting the relationship build even before they have become a paying customer.

More measurement, more collaboration

Measurement is just as important as analysis. The CRM layer allows the management teams to collaboratively work on the new customer journey. The CRM solution allows customer data to be simultaneously updated across the company's systems; there are systems which have audit functionality, meaning all members of management will receive updates about when a change has been made.

All businesses need easily accessible and up to date reporting on the customer journey. A SaaS CRM solution means managers can view, manage and update customer information at any time. Thus ensuring more control in the customer journey, more timely and informed actions, better sales forecasting and access to all information related to incoming sales opportunities.

Conclusion

The old sales model is dead. The traditional stand-alone approach to CRM is dead. The new customer journey involves intelligent, informed conversations with customers and prospects, nurturing and building their interest, until they indicate they're ready to buy. The new customer journey is now the responsibility of all parts of the business – finance, sales & marketing, product, service, training, HR – all of whom can fundamentally affect the 'customer experience', for better or for worse.

Leading practitioners now position CRM as a layer into which all customer information is fed, and which everyone uses to contribute to the customer experience. If all management members are to take responsibility for looking after customers and growing the business, and if their performance is to be measured on this basis, then they all need access to the same customer intelligence. That's the job of the CRM layer.

About Maximizer

Maximizer CRM is fueling the growth of businesses around the world.

Our CRM solutions come fully loaded with the core Sales, Marketing and Service functionality companies need to optimize sales productivity, accelerate marketing and improve customer service. With flexible on-premise, our cloud and your cloud deployment options, tailored-to-fit flexibility, state-of-the art security infrastructure, industry-specific editions and anywhere/anytime mobile access, Maximizer is the affordable CRM solution of choice.

From offices in North America, Europe, Middle East, Africa and AsiaPac, and a worldwide network of certified business partners, Maximizer has shipped over one million licenses to more than 120,000 customers worldwide.

MAXIMIZERCRM

AMERICAS (HEAD OFFICE)

Maximizer Services Inc.
208 West 1st Avenue
Vancouver, BC
V5Y 3T2   Canada

Sales +1 800 804 6299
Phone +1 604 601 8000
Email info@maximizer.com
Website www.maximizer.com

EUROPE / MIDDLE EAST / AFRICA

Maximizer Software Ltd.
1 The Courtyard, Eastern Road
Bracknell, Berkshire
RG12 2XB   United Kingdom

Phone +44 (0)1 344 766 900
Email enquiries@maximizer.com
Website www.maximizer.com/uk

AUSTRALIA / NEW ZEALAND

Maximizer Software
Solutions Pty. Ltd.
Level 1, Suite 14, 32 Delhi Road
North Ryde, New South Wales
2113   Australia

Phone +61 (0)2 9957 2011
Email info.anz@maximizer.com
Website www.maximizer.com/au

WWW.MAXIMIZER.COM