The Five Major Components of a Good CRM System: A Guideline for Lubricants Companies

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Purchasing the right Customer Relationship Management (CRM) application for your lubricants company is an important decision. CRM software can be a powerful tool for increasing a company's profitability and growing the value of the business, but not all CRM solutions on the market today are equally appropriate for the lubricants industry. In addition, many CRM solutions are underutilized and ineffectively implemented by staff and management to reap the real benefits. The numerous CRM applications available require screening for "a good fit" and once deployed need to be put into proper operation to realize maximum gains.

CRM applications were developed to help manage a company's interactions with customers throughout the lifecycle of a transaction. The software's primary purpose is to consolidate all customer specifics into one area so that sales, marketing, management and other departments have access to the information and can manage relationships. Additionally, CRM solutions automate manual procedures and provide quick, reliable methods to monitor performance and enhance productivity.

There is a plethora of CRM packages available on the market today that contain similar features and functions. Making the right choice for your lubricants company is a difficult task. Making the r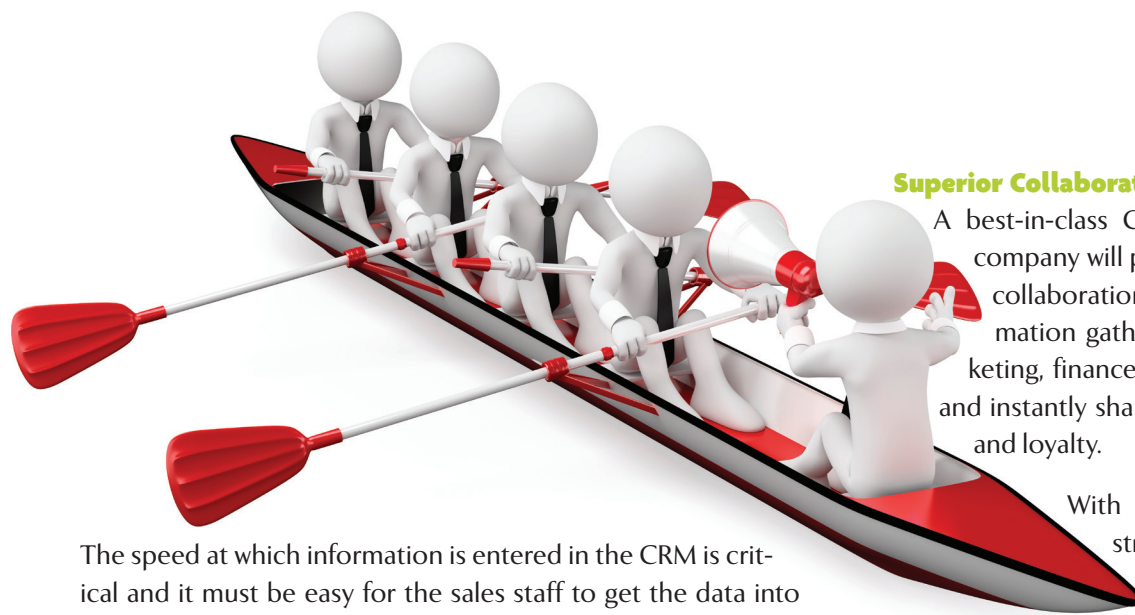ight choice requires assessing the specifics of the application and matching it with the needs of your sales, marketing and management teams.

In my experience, there are five major components of a good CRM application implementation — all equally important. They include quick data entry, easy enterprise resource planning (ERP) data accessibility, superior collaboration and communication, swift workflow and email connectivity, and strong standard operating procedures. Taking a look at each of these key ingredients will prove instructive in making a good choice for your company.

Quick Data Entry

The customer information collected by your sales and marketing staff presents golden opportunities. This collected data must be easily and quickly entered into your CRM application so that the information is available as close to real time as possible. In this way, critical business information is delivered to key people in the company when and where it is needed. For example, competitive information such as who else is attempting to sell to your customer and at what price should be entered immediately by your sale person — whether they are on the road or in the office. Making this conversation available to management quickly can effect a price change that will make or break a sale.

Superior Collaboration and Communication

A best-in-class CRM application for your lubricants company will promote quick, constant and accurate collaboration for effective decision making. Information gathered on a customer from sales, marketing, finance and other departments is integrated and instantly shared to enhance customer satisfaction and loyalty.

With a CRM application that promotes strong collaboration, your lubricants company avoids the pitfalls of a sales person acting as "a lone wolf" who is forced to strategize and make decisions on his own. The collaboration and communication makes the most of collected customer data, processes, strategies and insight to more efficiently serve and retain customers. In addition, data shared between sales and other departments such as billing, operations, finance and planning creates cohesion and uniformity that delivers a uniform customer experience. The key to having a CRM application that promotes collaboration and communication is to have it built into the foundation of the design so that it doesn't take any extra work in order to share information.

Swift Workflow and Email Connectivity

The ability to share information quickly is through workflow. A good CRM application improves the pace of your lubricants business so that less time is spent obtaining information and more time is spent making well-informed decisions.

A good CRM application automates workflow and emails so that tasks flow spontaneously. For example, a sales person has a conversation with a customer which requires follow-up. With a good CRM system in place, an email is automatically generated which fulfills the follow-up obligation. Utilizing workflow automates tasks so that they don't slip through the cracks. Information flows quickly and automatically throughout the organization.

The workflow in the CRM application for your lubricants business improves the efficiency of salespeople by eliminating the need for manual follow up. Records are automatically updated, triggering email notifications and completing tasks, all in one easy step.

Strong Standard Operating Procedures

To really take advantage of the functions and features of a CRM application, your lubricants company must properly define standard operating procedures (SOPs) for the use of the CRM.

The speed at which information is entered in the CRM is critical and it must be easy for the sales staff to get the data into the system. I often hear sales people complain about the time it takes to create a call report. Sales people believe that their job is to sell and if it is hard to enter a call report then they don't do it and complain, "Do you want me to sell or do paperwork?" I'm sure every sales manager in the world has heard that statement a few times.

A good CRM application allows the sale force to do both (sell and do paperwork) well and quickly. Utilizing a CRM that has an easy data enter methodology will not take time away from the active job of selling. In fact, in the long run time is saved because now they have quick access to useful information.

Easy ERP Data Accessibility

The ability to easily retrieve customer information in your ERP system is critical to the effectiveness of your sales staff. Timely data gives your sales team access to real time data to more efficiently and effectively schedule their calls with customers. For example, if your company has a collection issue with a customer, the sales team would know to not "spin their wheels" on that relationship until the account is cleared or make a timely call to collect the unpaid balance. Similarly, the ability for a sales person to see at a glance the product volume and amount sold to a customer would signal how much time to spend calling on that company.

Seeing who is up and who is down can help the sales person identify key accounts. For maximum effectiveness, all relevant data in your ERP system should be easily available to your sales team. Purchase history, pricing, opportunities, customer notes, sales and profit analysis, recent transactions such as orders and invoices and other customer information should be at the fingertips of the sales people. "Knowledge is Power." The more information a sales person has about a customer's buying patterns the more effective he can be.

Consistency is the key to a successful CRM deployment. CRM applications have many features that can be used in a variety of ways. Each company has to define exactly how and why certain features are used. Understanding and using the CRM application accurately and consistently requires training, familiarity and strict adherence to specific standards.

To have confidence in the data, management must have consistency with the users and each company must have a set of definitions with which to work. Without SOPs and compliance by all users, chaos would ensue. CRM data collection is dependent on strong SOPs that are embedded in the system and followed scrupulously. Information and reports will only be as valid as the users' adherence. Successful adoption of the CRM rests on the creation and following of well formulated SOPs.

In summary, a good CRM system has the potential to help your lubricants company prosper. But even with the five major elements in place, distinguishing which CRM application is appropriate for your business requires research. Selecting a CRM solution that is focused on the lubricants industry will place your business ahead in implementing the system and realizing its potential. An industry-specific CRM solution will have data elements that make sense to your business and will include a set of "best practice" SOPs that you can tweak to how your business operates.

Purchasing the right CRM solution for your lubricants business will make you money as long as you take the time to deploy it correctly. A positive deployment of the right software will increase your productivity and boost your profitability and make your investment worthwhile. ⬧

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