Ultimate Guide for CRM Management
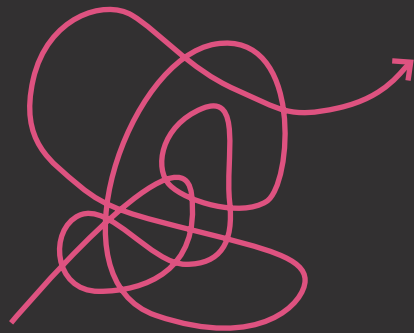
For start-ups and small businesses

SUCCESS

Seamlessideas

Success

What people think
it looks like

What it really
looks like

What is CRM?

CRM (Customer Relationship Management) is a software that helps businesses understand and deliver the needs of their customers. Those needs may belong to any customer present in any stage of the sales funnel. With CRM you can manage your leads, contacts and opportunities, automate marketing and sales tasks, improve customer service, have access to detailed data about your customers in one place, grow more quickly, empower your employees to be more efficient and much more.

CRM enables you to achieve these goals by making it easier to manage and sustain your relationships with your prospects and customers throughout their customer journey.

According to Salesforce, CRMs are able to improve your organisation's customer retention by 27%. If that is the average, why would not you want a CRM in your company?

Why read this e-book?

This book is the ultimate guide for organisations when it comes to CRM management. It covers everything a business might need to make their CRM transition easier, including how to find the right CRM fit, the best practices when implementing a CRM system and why CRM implementations fail.

By the time you are done reading this e-book, you will have the bare bones insight into your company's CRM requirements, you will learn what business operations to prioritise in conjunction with CRM, what are the most efficient ways to streamline your business processes, what to do and not to do when introducing CRM to your company, and a lot more.
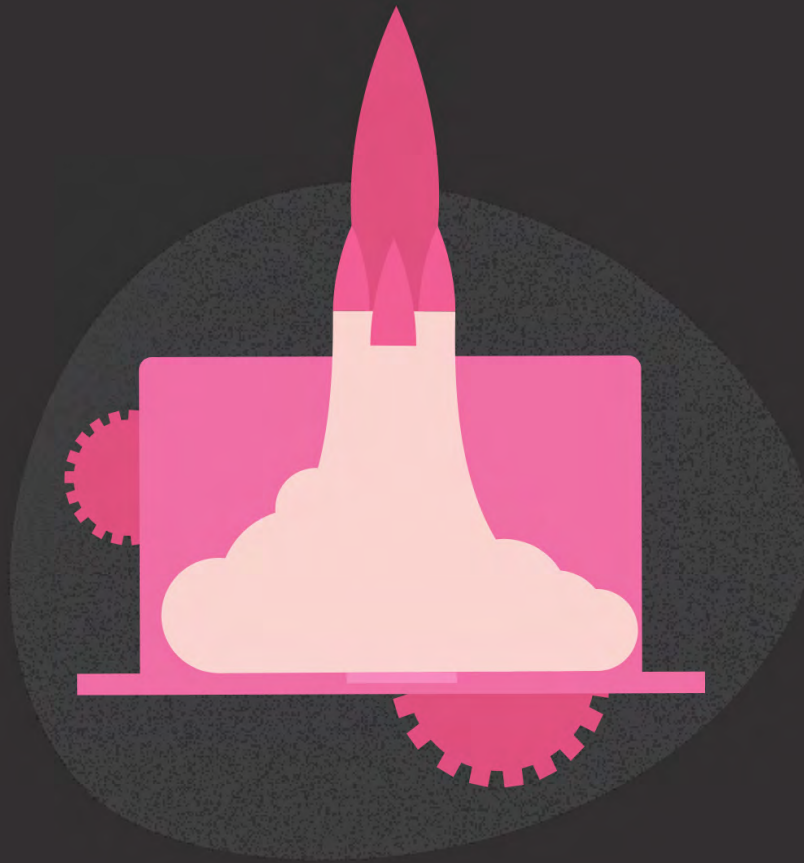
Chapter 1

Why do start-ups and small businesses need CRM?

Regardless of a business' size, customer relationship management software is a means to control their sales data, and in some cases, the marketing data too. Most CRMs offer powerful analytics tools to view, understand and report your data which is necessary for growing businesses.

With the availability of easily comprehensible data, you are in a much better position to understand who your customers are and what they require. This increases your capacity to improve your communications with your customers whilst enabling you to keep track of the history of interactions, purchases and communication for each individual you have served.

With the history of your touchpoints at your fingertips, you have a complete view of your sales funnel for each customer. Such clarity is not only beneficial when it comes to existing customers but also underline the right characteristics of your target market on a macro level. You can segment your target audience into categories you previously had no idea about and then approach them in the best possible manner according to the latest data.

" Follow-up emails, notifications, automated scheduling of reports and meetings, and a lot more can be set up just once via CRM to free up time towards more productive activities.

Any marketing team that has such insights available to them would be more effective in their work, they would generate more MQLs (Marketing Qualified Leads) and SQLs (Sales Qualified Leads) precisely because they would be able to reach leads and prospects in a personalised way that strike a chord with these potential customers.

Whilst it is true that acquiring new customers is crucial for building a sales pipeline and is a more efficient process with the right CRM, retaining existing customers is always cheaper and more productive. According to the latest studies, acquiring new customers could be five times as expensive as retaining existing ones. So how can you use a CRM to improve your customer retention rate?

Having access to the entire history of customers and prospects, including their touchpoints (i.e. interaction with your business and its assets, communication history, their habits, and personal information provided by them), facilitates you in determining the best course of action to attract and incentivise the customers and keep them in the funnel.

When you have such a process in place, you can automatically identify high priority clients from others. Not only that, you can also create detailed buyer personas based on the data on your highest priority client accounts and tailor your sales and marketing strategies for those audience segments accordingly.

For a business looking to grow and expand, you do not want to spend your attention and resources on low-value day-to-day tasks that can take up a lot of time. So if you want to fix your attention toward growth and high-value activities, you can either hire someone to do the tedious tasks, or you can automate those tasks. The right CRM does exactly the latter.

Reminders, follow-up emails, notifications, automated scheduling of reports and meetings, and a lot more can be set up just once via CRM to free up time towards more productive activities.
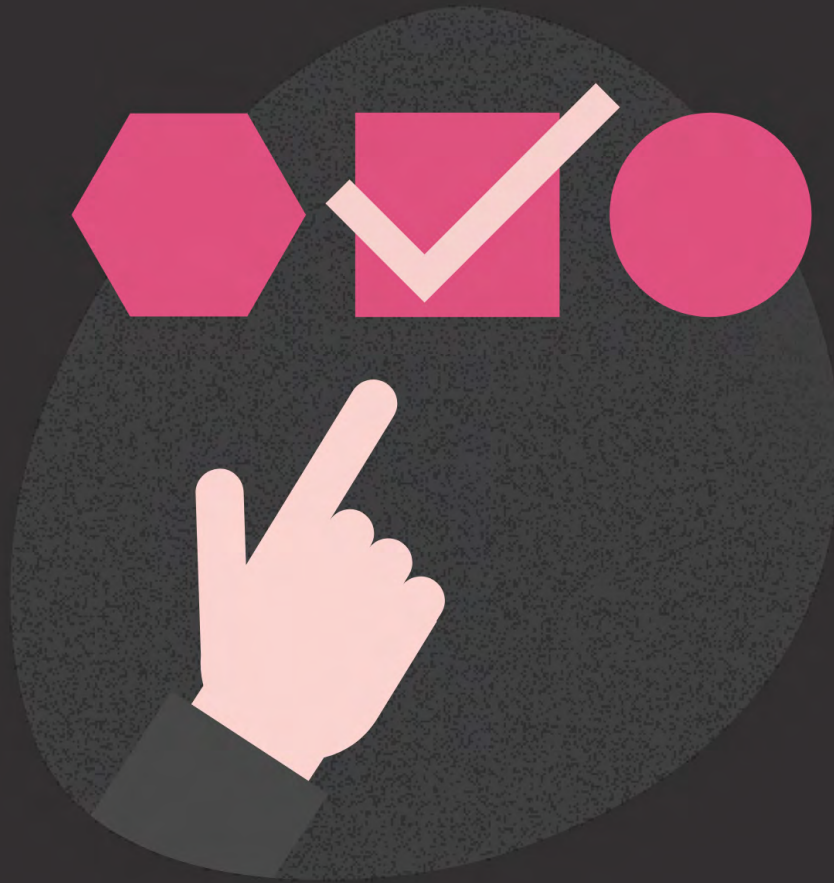
The 3 types of CRM

CRMs are generally classified into 3 categories:

1. Operational CRM
2. Analytical CRM
3. Collaborative CRM

It would be fair to say that these classifications provide a general idea about CRM's strengths because that is their focus. However, the essential functions of CRM are mostly common across all types.

CRMs can be used for awareness, marketing, sales, customer service and retention long after an opportunity closes. Therefore, different CRM providers focus on a few particular areas i.e. their strengths, as their unique selling points.

> **"** Operational CRMs have a direct effect on your organisation's business operation and processes.

As a result, most CRMs fall into one or more categories mentioned above. Let's get into some detail of what these actually are.

1. Operational CRMs

As evident by the name, operational CRMs have a direct effect on your organisation's business operation and processes. They are intended to streamline your business by focusing on 3 key areas.

Marketing Automation

An operational CRM gives you the ability to automate your marketing to leads, contacts, and prospects to a great degree. You can track prospect activity and score based on their actions. You can segment and rank them based on their profile.

You can automate tasks like emailing, publishing, and follow-up reminders among others to save time. You can drop prospects into email journeys, advertising funnels, or other campaigns based on how they have behaved, thus shortening the funnel and accelerating conversions.

Sales Automation

Streamline the sales process by automating task assignments, simpler scheduling of meetings, giving customers the ability to schedule a meet from a list of open slots, easier delegation capability, and much more.

With the customer data available to you, your CRM can identify the most compatible sales rep for a particular customer based on their history. It can automatically assign the customer to the rep as well as send an initial email to schedule a meeting with a notification reminding the sales rep what has been done on their behalf so they are in the loop.

Service Automation

A key purpose of any CRM is to improve your customer satisfaction rates. Operational CRMs come with service automation features like live chat, chat ticketing systems, chatbots that identify and relay the right knowledge-base articles, and FAQ pages in response to customer queries, as well as customer call management to handle incoming and outgoing calls.

> **" Having more information about the customers is essential in ensuring high-quality customer interactions.**

According to experts, if you have a linear sales and marketing system and you want to save time on sales and marketing, you should be going for an operational CRM.

2. Analytical CRMs

Analytical CRMs are for organisations that want to use data to improve their business and serve their customers. Using the data can range from gathering the data to analysing, reporting, and much more.

The three most key features of any analytical CRM are the following:

Data Warehousing and Mining

Almost every analytical CRM keeps your historical and present data in a type of database that can be termed a data warehouse.

> " Analytical CRMs are useful for businesses looking to gather customer data and leverage it for their acquisition and retention strategies.

Such a system is very effective for analysts to gather, integrate, and analyse the data for reporting. Therefore, doing statistical analysis to find patterns in large datasets i.e. data mining, becomes easier for your analysts.

These patterns contain insights into customer behavior, interests, and habits, for both large groups of customers and smaller clusters, giving your organisation a better chance to serve your consumers.

Forecasting

Analysing the past activities gives an insight into the future. With Analytical CRMs you can study past sales trends and forecast what is to come. You can evaluate several approaches and decide what is best.

Online Analytical Processing (OLAP)

OLAP tools analyse huge amounts of data from multiple perspectives. You can layer different sets of data on top of each other belonging to different dimensions and it gets analysed simultaneously. But how does this help you? For example, you are focusing on a certain customer demographic visiting your website from a certain region at a certain time of day only on weekends, and then you want insights into their behavior and how best to approach them compared to other such audience segments, an OLAP tool is capable of doing that.

Analytical CRMs are useful for businesses looking to gather customer data and leverage it for their acquisition and retention strategies. You can build customer personas and find out the most valuable touchpoints in the customer journey based on the data.

3. Collaborative CRMs

Collaborative CRMs are designed for collaborative data sharing between different departments or different offices within an organisation. In some cases, the collaboration can be external to include suppliers, distributors and vendors. The data may consist of customer information, forecasts, historical trends, and so on.

According to Rachel Burns from ActiveCampaign, the difference between a collaborative CRM and others is that the former focuses more extensively on customer service, satisfaction, and retention compared to acquisition.

" Businesses with heavy cross-department communication and multiple locations would find collaborative CRMs useful.

The three key components of any collaborative CRM are:

Interaction Management

All of your interactions with your customers are tracked and logged. That includes correspondence via email, phone calls, face-to-face meetings, online meetings, social media, online chat, and so on.

The purpose is to have the finger on the pulse of every customer for greater engagement efforts. Collaborative CRMs simplify the sharing of this information between different customer-facing teams. Those would be sales, support, training, community management teams, and more.

Relationship Management

Having more information about the customers is essential in ensuring high-quality customer interactions. If you share that information across your teams, it becomes easier to deliver the same level of personalised service whenever the customers require it and whoever provides it. Additionally, when you are managing customer interactions and communication channels, you know the best ways to approach your customers.

Document Management

In CRMs, you would have different related documents with contact records, associated with proposals, technical documents, or supporting documents. Having a collaborative CRM streamlines the sharing of such documents, making your customer interactions more meaningful.

Businesses with heavy cross-department communication and multiple locations would find collaborative CRMs useful. Regardless of your focus being more towards new acquisitions than customer retention or vice versa, a CRM with collaborative features is a must for all organisations.

CRM Hosting Types

In addition, some experts have also classified CRMs into these categories.

Desktop: Installed in a computer and typically one user CRMs. Only suitable for small businesses but out of fashion because of limited capability. Automation, collaboration, and analytics capabilities are either non-existent or extremely limited.

Server: Not too popular due to high server costs, installation on one PC, and all the data stored on the server. You have to buy licensed software as well as a server.

Cloud: The majority of modern CRM systems are now cloud-based. The data is stored on the cloud and can be accessed from any device anywhere; all you need is a user license and a functioning internet connection.

What are the key CRM features essential to a fast-growing organisation?

Depending on your business size, you'll have different goals, problems, communication structures and business processes. When you start to study all possible options among CRMs, you need to have a complete understanding of your goals, functional requirements, communication culture and business operations.

> **Visual dashboards show aggregated data to stakeholders in a clean, easily understandable manner.**

As a general rule of thumb, there are some key CRM features that are necessary for all organisations with some exceptions. Let's briefly go over each one of them.

Contact Management

Having all your contacts in one place where they are easy to access is a key feature of CRM. Your marketing, sales, and service teams need important data at their fingertips when they require without wasting time. You should be able to separate leads and contact data and limit who can view what data since not all data should be accessible to all within the organisation.

Pipeline Wide Tracking

Having the ability to track leads, sales and opportunities is a must in a CRM, especially for fast-paced organisations focusing heavily on growth. Access to such data allows for more efficient collaboration. Also, referral tracking, via either word of mouth or some other means should help you pinpoint ways to identify and trigger more referrals.

Automation

Sales and marketing automation allow you to save time that is otherwise spent on repetitive and tedious tasks. In sales that means reminders, follow-up emails, meeting invites, and so on. In marketing, you can create email programs at once and prospects can be automatically added to them once they register, based on their profile and behaviour. In addition, customer service tasks can be automated to give your representatives more time to respond to more people in a timely manner.

Visual Dashboards

Visual dashboards show aggregated data to stakeholders in a clean, easily understandable manner. This can include graphs, charts, tables, and even a pipeline view segmented into customer acquisition stages. Customised dashboards can be created for users with specific permissions so that each user sees the data according to their permission level.

Scalability

If you have ambitious growth goals then your CRM should be able to scale with your growth without obscene license fees. Your user requirements may increase, and you may need new features. On the other hand, small businesses and start-ups do not need all the features packed in a solution so do not feel pressured to take all that now just because you may need it in the future.

Data Storage & Migration

Many CRMs offer integration services with cloud storage like Google Drive, OneDrive, DropBox and more, and offer automated data backup services. Also, cloud-based software offers APIs that can pull data into your CRM.

Integrations

Along with cloud storage integration, email and social media integration are a key component of CRMs. Your CRM should be able to work with your email provider to ensure your email service is functioning at all times. Integrating your email client into your CRM also brings along the communication history. Social media integration can collect data on your customers' social media activities.

Analytics and Reporting

Reports that are easy to read, customisable, and easy to generate are a crucial factor in the success of many businesses. In addition to reports, dashboards bring together important information into one place for stakeholders. With native analytics in your CRM, your reports would be up-to-date with the latest data and insights about anything you require.

Security and Updates

Security is a multifaceted function. When properly enforced, you would have a complete trail of who is making what changes in the CRM. You can get on top of mistakes and human errors quickly. Regular updates not only bolster the security of the platform but also offer the CRM users new functionalities and features.

Chapter 4

How to determine the best CRM for your business.

From a business perspective, customer interactions should always be mutually beneficial. Having the right CRM in place greatly improves your ability to deliver such interactions which in turn bring value to your business.

However, as all responsibility falls on your organisation's metaphorical shoulders since the customer is always – or at least mostly – right, you need

to be aware of your strengths and weaknesses, customers' requirements and pain points to prevent counter-productive activities. When you know that, it becomes easier to make your customers feel like they have benefitted every time they interact with you.

Selecting a CRM system depends on several key factors such as budget, the number of users required, key capabilities required for your organisation, training and support mechanisms. Most importantly the realisation that a certain CRM has the capability to facilitate you in serving your customer in the best possible manner.

According to the features detailed in chapter three of this book, you would have to prioritise your functional requirements and ask yourself the right questions to find the right CRM for your business and its future growth. Questions such as:

Is the CRM scalable with your growth?

What would happen if you have to change your CRM once you grow too big but your CRM can not keep up and scale-up? You will have time and budget constraints; you will have to take the two commodities away from your customers and spend on something that could have been avoided had you made a better decision earlier. You may lose some data; contacts or leads - your employees might grumble.

Therefore, it is best to take your time to plan out your growth goals and look for a CRM that would be compatible with your business now and in the future. However, it is a balancing act,

you may not need all the CRM features at present but may need them in the future, this option needs to be available when the time is right.

What is your budget and number of users?

The more the number of users, the more it will cost you. And usually, the bigger the CRM, the bigger its license fee. You have to decide which CRM is best for you based on these factor. So, it is important to know for a fact your maximum budget and the number of users you require before you try and search for a suitable CRM.

Is it possible to track your sales pipeline?

Sales management is the most important part of CRM for most businesses. If your CRM allows you to store and manage your contacts securely, manage leads and relationships, as well as opportunities, then it is a step in the right direction. When you know the history of your customer interactions, touchpoints and communications then collaboration is easier and selling is more effective.

Are integrations possible with complete security?

While many modern CRMs have a variety of built-in features and applications, you do need safe and secure integrations with third-party apps. Since organisations already use applications that may be essential to the business operations, integrating those with CRM becomes a key step for successful adoption. Therefore, you should have the list of integrations that will be required and test those before implementation.

Is the CRM compatible with your customers?

Strange question is not it? Well, different customers have different requirements. For some you may need to rely heavily on customer service interactions, for others email might be the best channel to reach prospects and customers, the point is that your customer base as well as your user base should factor in the CRM decision making process.

> " Having the right CRM greatly improves your ability to participate in quality interactions with customers that bring value to your business.

What are the reporting capabilities of the CRM?

Depending on who your customers are, you may need to create different types of reports. Some buisness owners would like more than a quick dive into thier data. That calls for a solid understanding of what type of reporting capabilities you require and what type the CRM is able to offer. This should be an important question that is often overlooked by companies.

Can you provide CRM training and support to staff?

CRM vendors do offer training but this comes at an extremely expensive rate and they are often not flexible in their ways of operating. However, CRM vendors have their own partner community with 3rd party registered CRM consultancies, implementation, and analytics partners who can provide training and support services where needed.
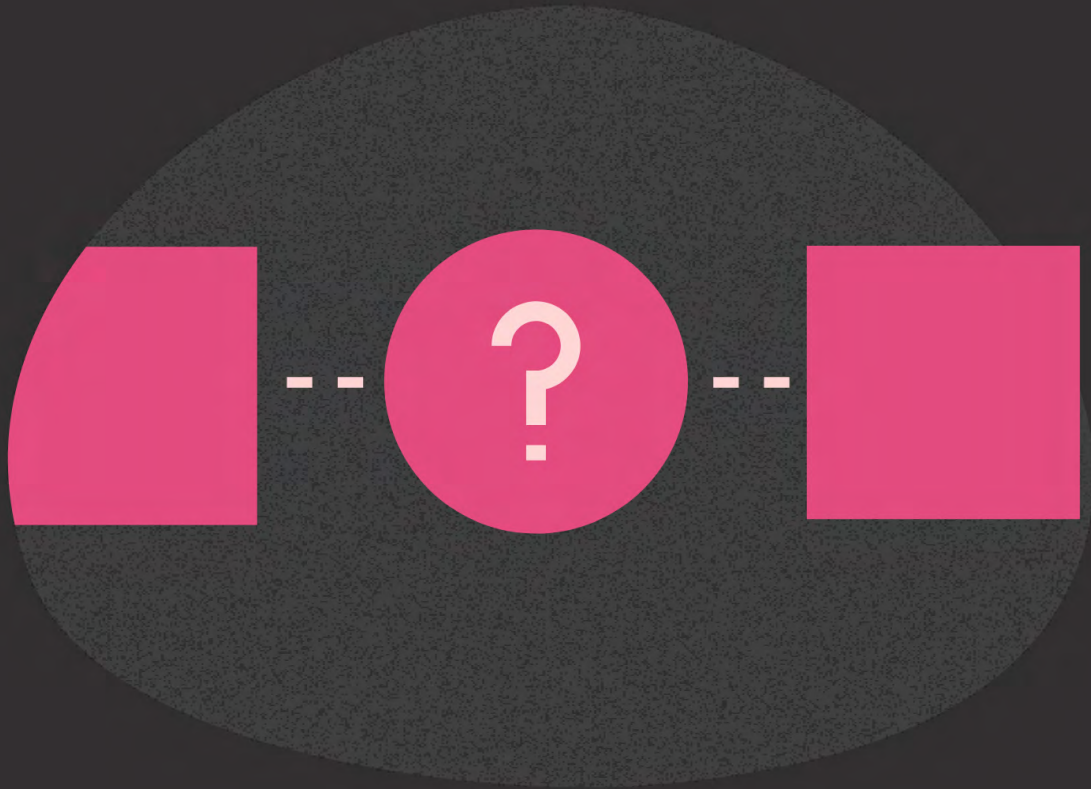
What are the must-do processes when choosing from your CRM shortlist?

❝ Test different scenarios and problems your business faces by scheduling demos with representatives of CRM companies.

You have come to a stage where you have shortlisted a few CRM candidates but you do not know which one to finally choose. You can flip a coin if you are short on time but in all seriousness, we recommend you take your time and not rush straight into the implementation.

Free Trials

Many CRM providers offer free trials for a set duration to their potential customers or at least access to a sandbox/trial environment to navigate through. If any CRM on your shortlist can be tested during a free trial phase, our advice would be to not hesitate in taking up this opportunity and make the most of it. However, these trials are not always available depending on your budget. Your opinion on whether a CRM is suitable for your business is worth a lot more after testing it than before.

Demos

You can schedule demos with representatives of different CRM companies and get to test different scenarios and problems you face in your business. It is possible that you do not get all the answers in one demo session and the CRM reps would

have to work harder for a more detailed demo. Feel free to ask for a demonstration of any such features you deem critical for your ideal performance.

Support Staff Meetings

Meeting one-on-one with the CRM support staff and sales engineers is important for you to make your decision. They would be able to reassure any concerns you may have about the performance of the CRM and its compatibility with your business. If they are unable to reassure your concerns then you know the CRM is not the right fit.

Additionally, when your implementation is complete and CRM is up and running, you would need the support staff and engineers to help you out from time to time in case any issues arise. It's always good to know their turnaround time as depending on the CRM vendor, this may be within 8hrs or in some cases up to five days for a case to be picked-up.

Company-Wide Trials

Do not forget to get your key operational leaders from relevant departments to trial and test the CRMs. Any feedback is valuable since the people working within the system should be feeling comfortable with the transition.

Sample Data or Real Data

You can upload a segment of your customer data into the CRMs for your free trials and demos. However, if you are not comfortable with sharing your customer data before you finally put all eggs in one basket, then you can use sample dummy data that mirrors your real data. There are many services that generate sample data for businesses.
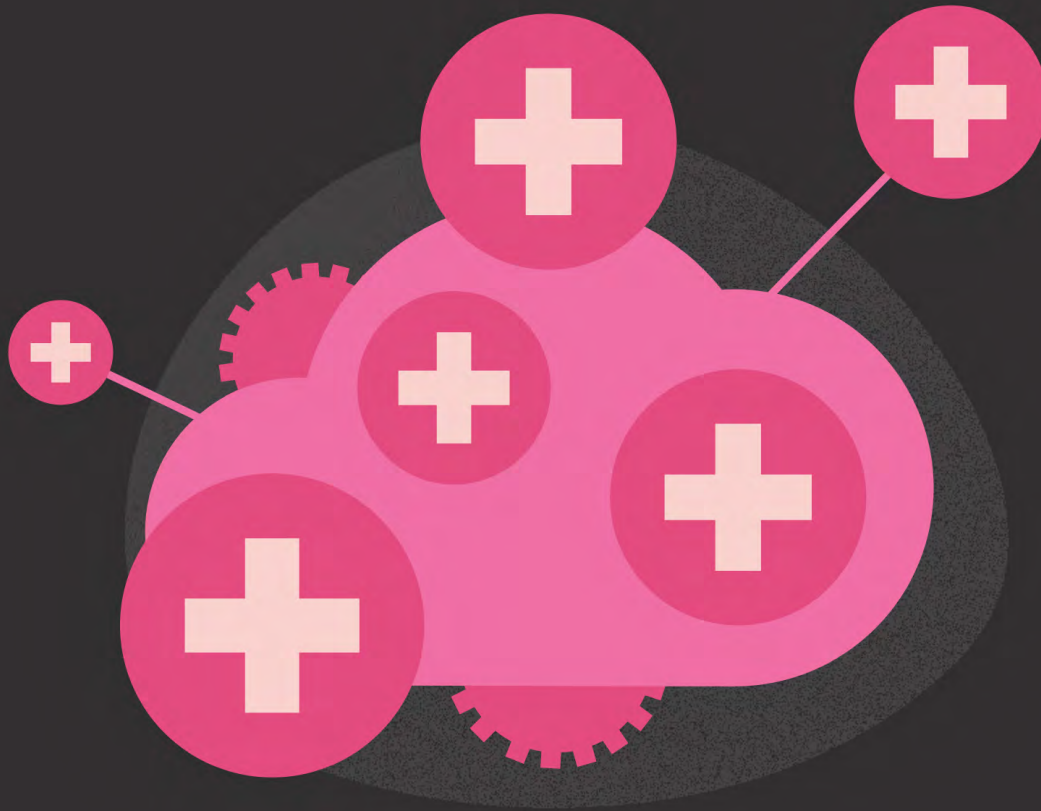
What are the best practices for CRM implementation?

Know Your Goals and Prioritise Them

Identifying your goals and prioritising on the basis of your business needs can assist in finding a suitable CRM. You can start out by sorting through the alternatives while keeping in view the basic attributes of your business such as the industry in which you operate, your sales process and company size.

Ask Tough Questions

When you are talking to CRM representatives, sitting through demos, or trialling a feature, be thorough in your questioning of the CRM reps about the product you are purchasing. It is not enough to just check if a CRM has the functionalities you require. You have to comb through their track record to see if they have a successful history of similar clients in the same industry. A vendor's experience, responsiveness and reputation among their partners is a significant deciding factor in choosing a CRM.

Provide Training and Support to the Team

It is essential to provide training to the team to ease them into acquiring the CRM. The initial training will provide them with all the necessary information and the know-how of the required tools and techniques to adequately navigate through the CRM. They should also be provided with support over time, for the new features and resources that may be released by the CRM.

Get the Leadership on-board

Having department heads, middle management, and executives on board would help your CRM transition go smoothly. Now, most small businesses and start-ups are not big enough to have multiple departments, even still the leadership in your company needs to be on on the same page about the CRM rollout as well as instill confidence in employees.

Standardise the Use of CRM

Misuse of CRM or incorrect entries can lead to the corruption of the data. This can be avoided by giving out clear instructions on standardised use of the CRM tools. Make sure everyone is entering new leads within a certain time period. At the start, ensure certain checks by managers at regular intervals so people are up to date with their CRM training and knowledge and are not lacking in any area.

Roll-Out in Gradual Phases

Many CRM implementations fail due to sudden rollouts. It is best to introduce CRM into your company in several phases. You can select a few top employees to test it out and introduce them in certain departments. You can also do it feature by feature. Or you can train everyone first and then adopt. In any case, know that your team needs to be ready to make the transition with you.

Automate Your Processes

Make use of some of the best features CRMs have made mainstream. Automated sales and marketing tasks, report generation, reminders, follow-up, scheduling, and a lot more. When you automate, your team gets more time, becomes more involved in more valuable activities, and bringing high value to your business.
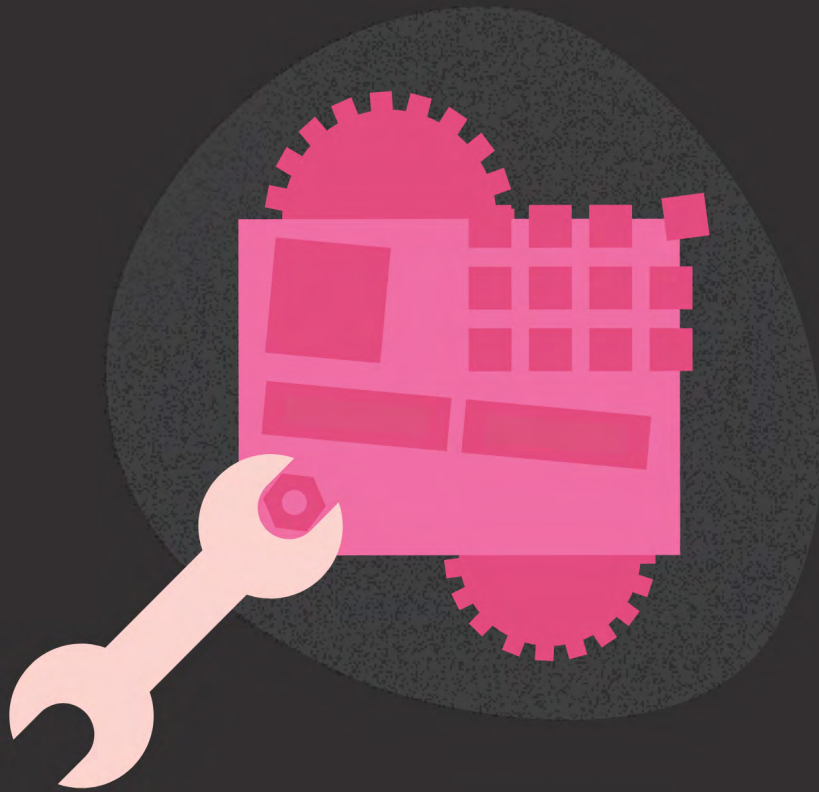
Why do CRM Implementations fail?

Yes, CRM adoptions, implementations, and integrations can at times fail at succeeding, why is that? The truth is that a lack of a proper plan, insufficient training, and hasty timelines among other reasons have caused many businesses to have botched CRM adoptions. Back in 2006, over half the companies

implementing CRMs faced difficulties and the situation is more or less the same today.

Let's get into the detail of some of the mistakes that can cause a failed CRM adoption.

> **"** You want to harness your strength, not negate them in your efforts to introduce a CRM. What if Google Paid Search was your biggest source of leads but you had no way of tracking them in your new CRM.

This problem has two aspects. First, it is hastiness in the choice of CRM which in itself is the biggest reason for CRM fails. Secondly, even if you choose the right CRM, a sudden rollout is only going to confuse the majority of your employees and stakeholders at the same time. That is why it is always recommended to slowly introduce the CRM, either department by department, or in a gradual phased approach to give people plenty of time to acclimatise.

Employee Adoption Not Facilitated

You need to bring the employees, especially executives and middle management on-board when you introduce a CRM into your company. They should be part of the CRM testing and trial stage if possible, and if not, then line managers should be given statistics and training material to emphasise to the staff that CRM adoption is a good thing even if it causes some temporary short-term pains.

Wrong CRM Vendor Choice

There are plenty of reasons why companies choose the wrong CRM and fail in adoption. Some do not do enough research and find out the CRM does not have the core functionalities

they require. Some buy shiny CRMs with all the features in the world, most of which are not necessary, causing strain on time and resources. It is vital to do your research and go about your CRM hunting for your organisation as outlined in this guide.

Insufficient Training

Your team using the CRM on a daily basis should be given sufficient training to make the most of the resources at their disposal. Without proper training, either the CRM implementation will fail or you would not be reaping the full rewards of spending your time and resources in selecting the right CRM.

Inconsistent Processes Between Departments

If your sales department is entering data in one way and the service department is doing it another way, you'll now have a problem on your hands. It can cause duplicate records, false data, and loss of productivity. As explained in the last chapter of this book, you should standardise your CRM use across the different departments and teams for maximum efficiency.

Ignoring Pre-CRM Strong Points

Knowing your business and its strong points is vital before any CRM rollout. You want to harness your strength, not negate them in your efforts to introduce a CRM. What if Google Paid Search was your biggest source of leads but you had no way of tracking them in your new CRM. Without this insight, you could be focusing in completely wrong directions which can negatively impact your business from capitalising on your best-performing avenues.
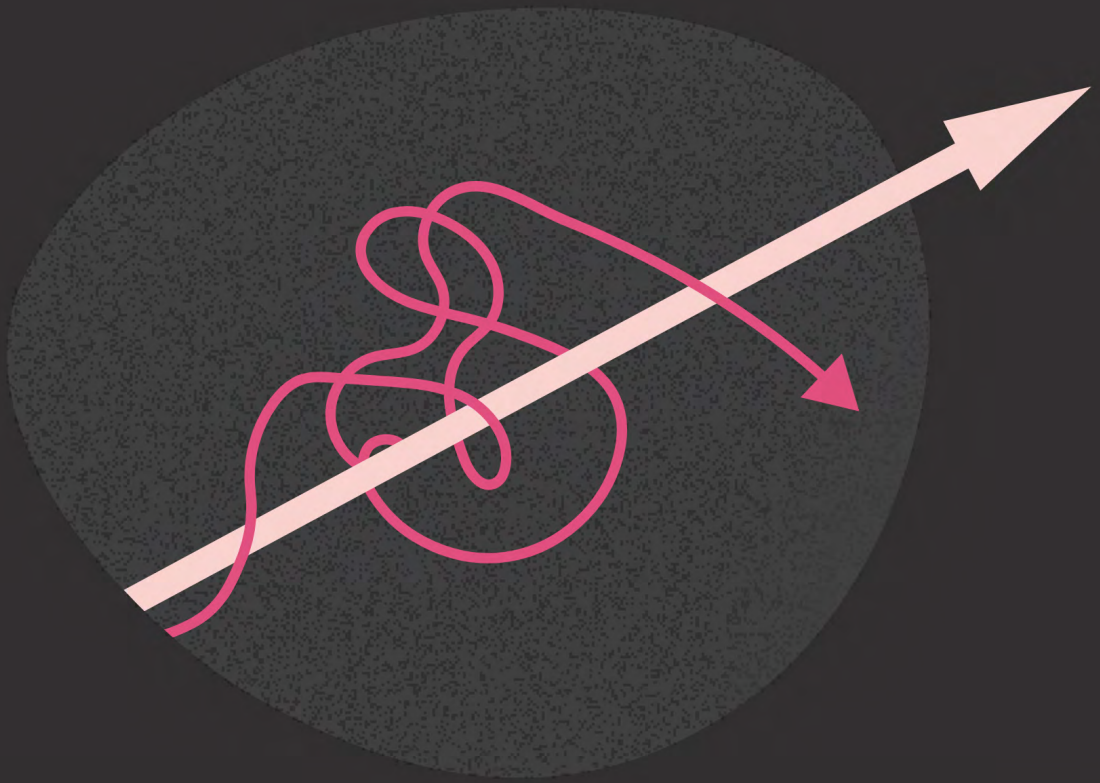
What are the Benefits of using the right CRM?

If you have read this far you must have a good idea about what an ideal CRM can do for your business. Nevertheless, let's get into some of the top-level benefits a CRM will bring to your business.

" CRM synchronises all your sales, services, and marketing data for your teams, automates your communication with your clients, and brings personalisation into the fold.

Improved Relationship with Clients

A CRM's core purpose is to help improve your relationship with your customers which in turn has a further positive impact. If you are successful in your CRM rollout, you should start to see much better relations with your existing and potential customers.

Since CRM synchronises all your sales, service, and marketing data for your teams, automates your communication with your clients, and brings personalisation into the fold, you'll end up in a much better position to acquire and retain customers.

Organised Data for Marketing and Sales

The marketing and sales data being all in one place and accessible from any device, not only facilitates your processes but allows you to bring the reality closer to your expectations in real-time.

You are able to develop and tailor your marketing and sales strategy with the latest data that is constantly updating. You can offer your prospects and customers the exact content asset they require to make the next decision and once you know where your customers stand, it becomes easier to guide them along a mutually beneficial path.
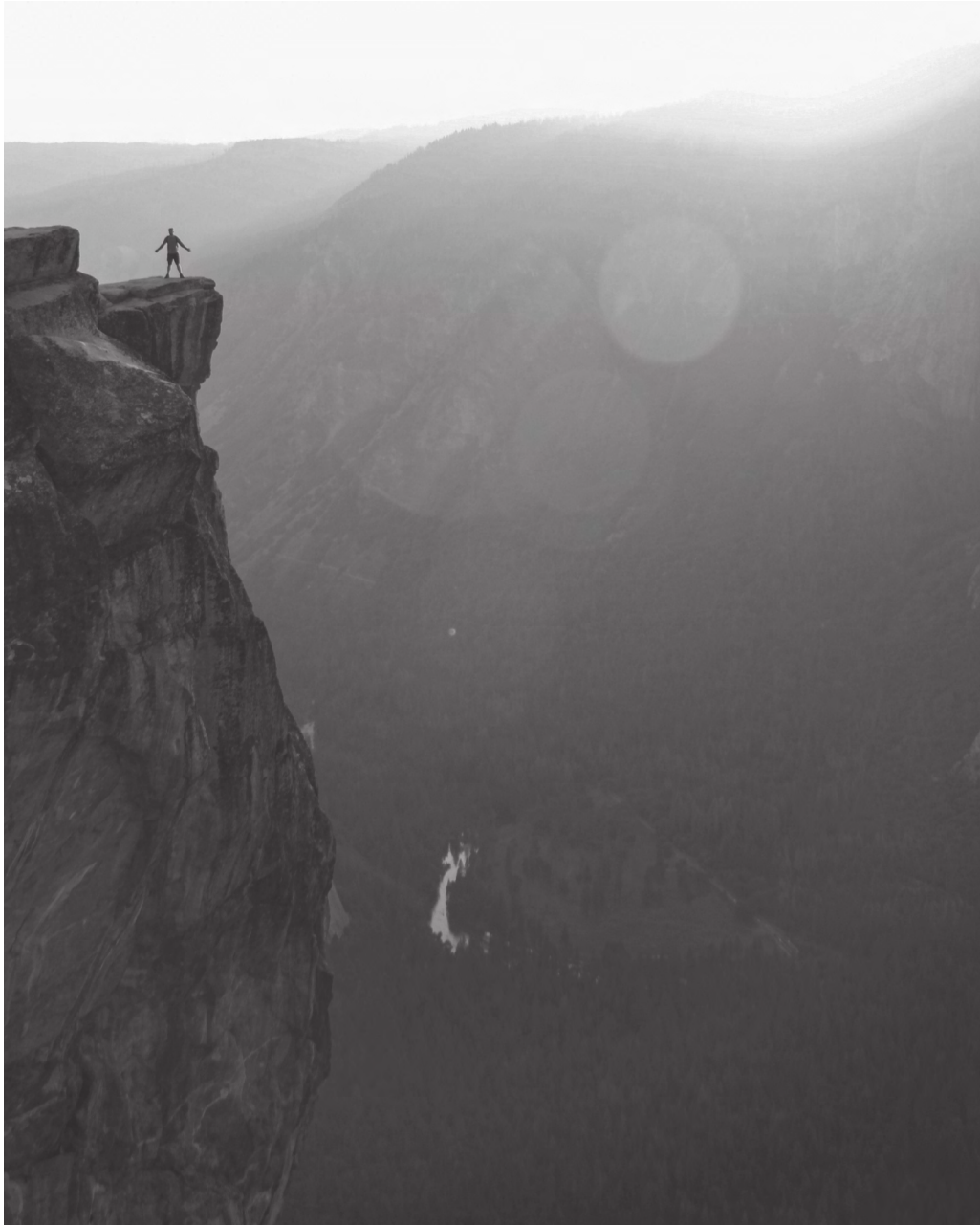
Accelerated Growth for small businesses and start-ups

With a proper and successful CRM implementation, you are able to grow at an accelerated rate compared to before. Salesforce reported in 2013 that on average, CRMs are able to boost sales productivity by 34%. That number is now greater than before.

Gone are the days when CRMs were only for only large enterprises. In current times, small businesses and start-ups are using CRMs that are suitable for their business requirements. The latest study shows that 91% of companies with more than 11 employees are now using CRM.

One of the key reasons you can accelerate your growth with the proper adoption of CRM is because of increased customer retention. Retaining customers is five times cheaper than acquiring new ones, that is one aspect, another aspect is that upselling and cross-selling to existing clients have a 60-70% possibility of increased revenue compared to only 5-20% for new leads.

" A CRM's core purpose is to help improve a business' relationship with their customers.

To learn more, check out our buyer's guide to hiring a CRM consultant.

For more information please visit: seamlessideas.co.uk

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