

## The Ins and Outs of CRM Software

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What is Customer Relationship Management Software? I'm a small business, is this something I need to use?

Customer Relationship Management Software, also referred to as CRM, is any program that is dedicated to keeping track of customers and prospects. Here are some of the customer and prospect complaints that CRM is supposed to help head off.

- "We never heard back on our request for information."
- "They sent us a proposal, then never followed up. So we bought from someone else."
- "We know the company turned over sales reps. We have no idea who our new rep is."
- "As owner of the company, I have only a rough idea of how long it takes to close business. I don't have a good handle on what's in the pipeline. And if my sales rep leaves, a year's worth of work goes out the door with her."

Keeping track of customers and potential customers is a critical success factor for any growing, thriving business. Many businesses track prospect activity so that they can analyze what's working. Putting prospects and customers into a central database makes it easier to find a contact

and follow up. A central location for prospect and client data is also a security measure. Some businesses use software to program a series of routine activities.

There are lots of ways to keep track of prospects and clients. Excel and Access are two programs you may already have on your computer. Check if you have someone in your firm who knows either program. If you don't, I suggest you send someone to class, as these two programs are basic and useful. You can research online for other programs – there are a ton of options.

Whatever database you choose to work with, there are some basic data elements you probably want to keep track of. Company and contact names, address, phone and email, plus date of initial contact and next step are a good place to start. Define routine follow up cycles for customers, and use the database to insure clients are contacted on time.

Think about the logical next steps in your sales process. Make a column or field for each one. Fill in the date as each step is accomplished with each prospect. Eventually you'll be able to see how long it typically takes people in your company to take a prospect from one stage to the next, and from start to close.

Assign someone in the organization to own the database. This should probably be someone based in the office, who can act as command central. Set goals for the database, including additions each month, movement from one stage to the next, as well as closes. For existing customers define how to contact, as well as frequency of contact. For example, you might define a quarterly cycle of email, phone call and snail mail, to stay in touch, provide updates and approach for additional sales.

Use the CRM system to insure that clients and prospects don't get lost. Too many companies spend thousands of dollars building relations with potential new business targets, only to drop the ball if they don't immediately bite. Or, if the pipeline suddenly gets busy it's easy to forget about some of the targets.

Build trust with prospects and customers by telling them what you're going to do, and then doing it exactly as promised. Use the database to keep notes, so that you can make a promise, document what is due, and when, and then move on to work on the next phone call or appointment. This approach allows you and your staff to be highly efficient, as you focus on calls and appointments one day, follow up another, and keep all the balls in the air because you have good notes.



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You can also use some of the more sophisticated CRM systems to lighten the load on clerical staff. You can program “cues”, or follow up routines, that happen automatically. For example, if you want a daily, weekly or monthly notice to go out by email, you can set up a group in the CRM system, and program the notice to go out on schedule. You can also specific reports to print out so you can monitor sales and customer activity.

Sound simple? It is, and it isn't. It will take commitment on your part to get the CRM system set up. You need to do some homework and figure out which system will work best for you. You'll have to gather all your contacts, and input them. You'll have to mandate that everyone in your company use the CRM system. And you'll have to practice until everyone builds the habit of using the CRM system 100%.

Looking for a good book? Try The CRM Handbook, A Business Guide to Customer Relationship Management by Jill Dyche.

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