

Selling Smarter with CRM

White paper
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Abstract

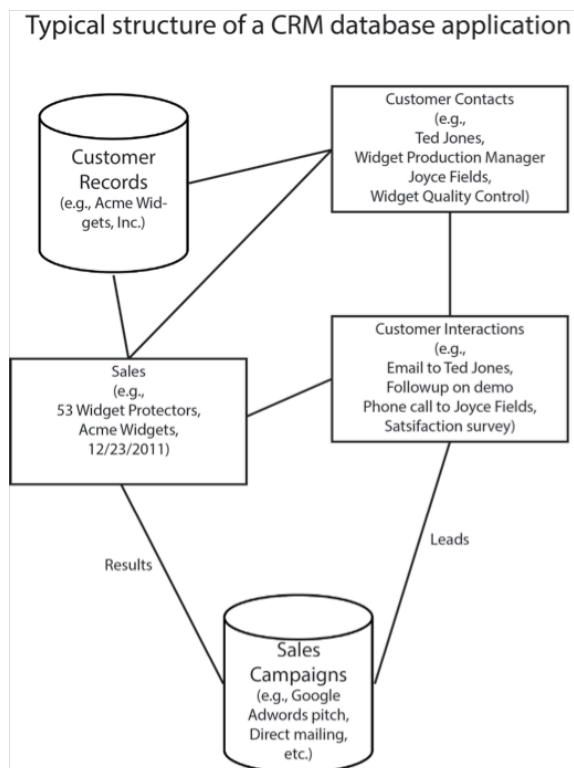
Customer Relationship Management (CRM) is no longer a fancy, expensive tool for large enterprises looking to make their telemarketing efforts more effective. Rather, it's an essential element of a successful, integrated sales strategy. Whether a company relies on inbound or outbound marketing, referrals and word of mouth, or some hybrid strategy for attracting customers and generating sales, the right CRM application can make the difference between profit and loss, or success and failure in any market. This paper examines several such tools and how they can be effectively used with multiple business models and businesses of any size.

What does a CRM system look like?

When most people think of CRM (if they don't scratch their heads and say, "Uhhh, what's CRM?"), they think of SAP or Salesforce. Oracle's or Microsoft's particular solutions may also cross their minds if enterprise sales are a part of their lives. Countless other smaller vendors offer products that fall into the realm of CRM, but there are a few key points to keep in mind:

- A Customer Relationship Management system is just a database
- More than one business has been run successfully (to a point) with a spreadsheet for CRM
- Interactions between businesses and customers are increasingly complex and multifaceted, meaning that the days of the Rolodex are over.

Implementations vary greatly by vendor, use case, area of specialization, and cost. However, most CRM applications can be visualized pretty simply:



While the visualization isn't terribly complicated at this very basic level, the cyclic interactions between customers, sales staff, and the campaigns that (hopefully) target or generate leads and ultimately result in sales can be quite complex in practice.

Campaigns can range from targeted emails to existing leads to ads on Facebook to a social media blitz. Complicating things further is the wide range of external data sources that can be providing leads and real-time data on the sales cycle. Google AdWords, for example, provides its own aggregate data, while the landing pages associated with individual ads should be capturing a variety of data automatically about potential customers. Forms on those pages will also capture actionable data for sales teams.

Most CRM tools have facilities for reporting incoming data automatically as well as for entry of new information (sales calls or new contacts, for example). Data entry can occur on web forms, mobile apps, desktop client-server applications, and various import and export mechanisms.

And there's the key: Actionable data

Clearly, CRM systems are like snowflakes: no two are alike. However, all are designed to provide data to sales teams, marketers, and business leaders that lets them

- Create strong relationships between companies and their potential customers, More than one business has been run successfully (to a point) with a spreadsheet for CRM
- Manage the sales cycle,
- Improve sales approaches, and
- Measure the most important metrics a business can report. multifaceted, meaning that the days of the Rolodex are over.

CRM systems are focused on sales, of course, but are also increasingly about measuring and defining engagement with a community. Like it or not (no pun intended), the number of likes that a product has on Facebook, for example, matters. Social sharing matters. Bloggers who write about the product matter. Sure, this sort of information could sit in a spreadsheet somewhere, but the real value lies in being able to enter it, access it, and do something with it as efficiently as possible.

Sell smarter, not harder

Many companies are finding it increasingly difficult to justify a large and expensive direct sales force, cold calling, chasing leads, following up, and otherwise selling and marketing like Facebook hasn't been invented yet or as if Google hadn't revolutionized advertising on the Web. Most CRM system can keep a large, traditional sales force organized, ensuring that Sally Jones only gets one call a week from a telemarketer or the purchasing manager at a potential client doesn't get three calls from three different salespeople when he sends an email with a simple product inquiry. The real beauty of the modern CRM platform, though, is its ability to short-circuit much of the arduous work of a sales team and aggregate data in such a way that it supports more modern approaches to inbound marketing and lead generation that doesn't require countless hours of cold-calling.

A CRM system should, in fact, coordinate the work of product management, marketing, and sales teams in a company such that the age-old marketing versus sales versus engineering rivalries go away and a business can focus on its product and its brand. Similarly, the sorts of large-scale, social communications required of most businesses today should be automated wherever possible. Instead of firing out thousands of emails and updating numerous social networks continuously, companies need to be able to focus on their messaging. In essence, CRM systems should handle the mundane while sales and marketing teams should be collaborating and finding innovative ways to drive customers to their products.

A growing number of CRM applications are incorporating robust business intelligence tools, as well. These components not only facilitate the analysis of sales and engagement data from a myriad of sources but also guide business stakeholders in key decisions regarding expenditures, features, and messaging.

Imagine, for example, that a company has ads running on Google AdSense, Facebook, and the LinkedIn ad network. At the same time, it has also hired several interns to engage with existing and potential customers on various social media and through original content development. Large display ad campaigns aren't generally cheap; interns are. What if there was a system that could automatically calculate the ROI of the lead nurturing content created by the interns versus the direct lead generation from the ads? Or analyze the ad content by word choice and correlate it with the most good leads, thus guiding future ad campaigns for maximum return? Multiple CRM systems today can do just that, applying business intelligence factors like these. Our example company just might end up with the ideal mix of intern-created inexpensive content and targeted ads since the systems can examine data longitudinally in ways that few humans can eyeball.

Interestingly, a 2012 summer internship program with IBM to work with their now-infamous, Jeopardy-playing supercomputer, Watson, attracted several thousand applicants. Only about half of those applicants were from fields of computer science, information systems, and engineering. The other half were from marketing, business, linguistics, and other “soft” fields, looking for new applications around this very sort of business intelligence, language processing, and advertising in a Web 2.0 world.



Is it social yet?

In 2012 (and for the foreseeable future), if it isn't social, it's not going to sell. To that end, more and more CRM platforms are adding social features. This isn't just a gimmick or the latest trend in tech, though. The social components are designed to enhance collaboration and communication among coworkers in ways that are intuitive and familiar for the Facebook generation. The lone salesman is an anachronism of the first degree; sales are now a coordinated effort among pre-sales engineers, marketers, sales staff, customer support, and company leadership. Allowing users to "follow" a project, receive at-a-glance updates from a dashboard, or connect with other staff specifically involved in a project or campaign is natural way to organize and promote collaborative efforts.

The point here is not to be the latest social application. Rather, the social paradigm, particularly one reminiscent of the major social networks happens to be a particularly efficient means of facilitating the kinds of informal communications and regular updates that high-functioning teams need to do their jobs.

Perhaps even more importantly, because CRM now often encompasses technical support and customer service, adding social features makes the system far more accessible for those outside of sales roles. Product managers, engineers, developers, designers, and others can have straight-forward access to feedback from customers and staff on the ground so that they can make product improvements more nimbly and address issues directly and immediately.

Specific CRM platforms

There are approximately 90 CRM applications in the Google Apps Marketplace alone. These are products with at least a minimum degree of integration with Google Apps, allowing Apps customers to leverage single sign-on to a CRM system (and, in some cases, much deeper integration, tracking emails, calendar entries, etc.). This isn't a Google Apps pitch, though. It simply illustrates the sheer number of available applications that address the needs of small, medium, and large businesses for customer relationship management.

The sample applications below, then, are hardly exhaustive. However, they illustrate a number of different approaches to CRM and provide a sense of the variety of available tools.

SAS Customer Intelligence

The SAS Institute is the largest privately held software company in the world. Originally known for its statistical analysis and data management capabilities in academic research, SAS has more recently focused on business intelligence. This is a highly capable, immensely customizable system that incorporates powerful analytics and more traditional CRM capabilities. It is, however, best used by large organizations that can afford the software cost as well as the salaries of dedicated developers.

Zoho CRM

Zoho CRM is just one component of Zoho's suite of online business tools. Designed to function entirely in the cloud, Zoho CRM can scale from small businesses (which can have a three-user account for free if they use the product in conjunction with Google Apps) to large enterprises.

Nimble Social CRM

Focused on providing a highly social platform for collaborative sales, Nimble integrates with MailChimp for direct email marketing. Also entirely cloud-based, Nimble provides a single inbox for users to manage Facebook updates, Tweets, and email, reinforcing the idea that sales is a social vocation in the most holistic sense.

Insightly

Like many of the platforms in this list, Insightly can be integrated with Google Apps for Business. Unlike the others, it cannot be purchased standalone; it is designed specifically for businesses that use Google Apps for productivity and is deeply integrated with its calendar, email, and office suite features.

Sugar CRM

Sugar CRM is open source software designed to compete with large enterprise systems from major vendors. However, it can be used at much smaller scales and is entirely free (both as in speech and beer), so businesses of any size can experiment with a full-featured, web-based CRM platform. It is highly customizable in appearance and function for those with the skills and wherewithal to dig into the code. There are also supported, non-free versions of Sugar CRM.

Conclusion

To paraphrase an old General Motors slogan, this isn't your father's CRM. CRM applications are increasingly social, often incorporate powerful analytics and business intelligence, and are available in such variety that any business can find an appropriate platform to better manage its sales and product development cycles. More to the point, there is little excuse not to use one of these tools which have become essential to effective communications, lead generation, lead nurturing, pre-sales efforts, and customer service.