

# A Student's



# Guide



# To CRM



*/MarketDeveloper*

# A STUDENT'S GUIDE TO CRM

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# 1

## Introduction

## **Introduction**

In the course of studying the demographics of visitors to our website we found an interesting pattern. Some of the most common keywords that bring people to our website are queries such as “What is CRM?” “How does CRM work?” etc.

As many as one in nine of the total visits to our site in an average day are from people at academic institutions looking for information on CRM. We have therefore decided to put together a series of free Modules on CRM to help out with your coursework!

We have put together a series of informative white papers, each one relating to an aspect of Customer Relationship Management. These documents give a basic introduction to business CRM including: Single Customer View, Social CRM and Cloud SaaS technology. Each paper is available for no cost and requires no sign up.

We are hoping to build upon these initial topics to include a wider range of Customer Relationship Management and Marketing modules.

## **What's in it for us?**

Whilst of course we like being helpful we're also hoping that, in a few years time, when some of the students who benefited from our academic papers are Directors of Proctor and Gamble and Unilever they might remember MarketDeveloper!

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What is CRM?

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Data is an essential component of any business and particularly relevant to marketing strategy. As technology has become more sophisticated and our lifestyles moved online the emphasis on data has increased. Data provides knowledge and insight into customers and prospects.

At its simplest CRM or Customer Relationship Management allows businesses to successfully manage and maintain data forming better relationships and gaining a better view of their business.

The main aims of a CRM system are to:

- Gain a better understanding of customers and prospects
- Simplify and more accurately target marketing
- Win new customers and retain current ones
- Increase ROI
- Reduce Costs

A Customer Relationship Management system has at its heart a Single Customer View database and acts a single integrated dashboard from which all business data can be accessed. The information held is dependant entirely on the type of organisation

but generally includes customer and prospect data such as contact details, marketing preferences, account details, sales opportunities, interaction histories and subscriptions.

The most obvious benefit to this configuration is convenience; having all data in a single place and, crucially, in a single format, gives management and employees access to relevant information instantly. This saves an enormous amount of time and stress that may previously have been spent accessing rolodexes, spreadsheets, Google drives or any number of disparate storage facilities. Having data from all company departments in a single location also makes collaboration easier and allows an organisation to trim waste and streamline business plans.

### **Business Size**

For smaller businesses a CRM solution may simply be the process of moving all their data into a single place and then moving it to The Cloud. This allows an organisation to access all their data any time, any place and on any device in real time. Overtime as the business grows their relationships generally become more complex and move away from a simple buyer/seller dynamic. As the business grows so too does the CRM solution and begins to incorporate more sophisticated functionality. Often the main aim of this process is to customise online presence to create a more personalised user experience. This can include marketing automation suites, reporting functionality, social media integration and 360 view of organisations and customers.

### **SaaS CRM**

Increasingly CRM solutions are based in the cloud and come as a SaaS (Software as a Service) Solution. This essentially means that the client who purchases the solution never actually has the software installed in their office but rather logs on to access the database over the internet. This negates the need for any costly or invasive

set up on the behalf of the client. The CRM solution can then be accessed by the client whenever they need it and usually on any device such as mobiles or tablet computers. Any repairs or updates to the product will also be handled by the CRM supplier.

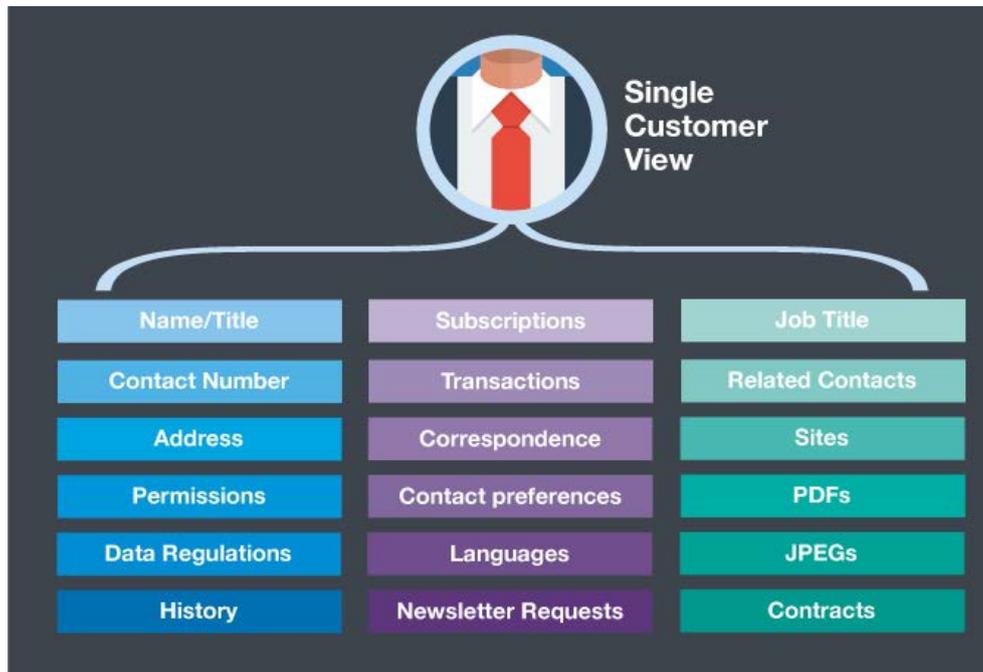
### **Marketing Automation**

Customer Relationship Management (CRM) Solutions often include integrated marketing automation capabilities. The main aim of CRM Marketing is to send out highly targeted, automated messages across multiple channels. These commonly include email, mobile, letter and social. A good CRM system will allow organisations to build a strong mailing list, design a superior mailer, test the campaign, send out the message to numerous complex parameters and finally analyse the results with reporting functionality.

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What is the Single  
Customer View?

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The Single Customer View is the back bone and starting point of a successful CRM Solution. A successful Single Customer View (SCV) is a complete, holistic view of an individual contact in the context of a wider database.

The main aim of implementing a Single Customer View is to shift to a customer centric business model. By gaining a true understanding of customer histories, contact details and preferences the SCV allows companies to perform highly targeted marketing as well as retain and manage customers.

First and foremost the implementation of a Single Customer View should give the brand a true 360 view of their customers and provide a Single Truth about their relationship with the brand. Although databases tend to be complicated, multi channel and dense a CRM solution with a SCV allocates each contact an individual file with a unique number. From here all relevant data such as personal information, interaction history and touch-points

with other parts of the database are stored.

### **Single Truth**

A key term when referring to The Single Customer View is the “Single Truth”. This refers to a common complication when implementing a SCV which occurs when multiple departments, that may have different relationships with the customer or a variety of reporting technologies, have to collaborate. CRM solutions that deliver an end to end solution with a well thought out strategy create a “Single Truth” that allows brands to gain all the benefits of a Single Customer View.

### **Main Benefits**

#### *Benefits for the Business*

- Keep data clean and up to date ensuring targeted, relevant communication
- Allow salespeople to access specific customer information quickly, from basic actions like accessing contact information to making an informed assessment of preferences and relationship history
- Increase visibility within the business allowing for more sophisticated inter-department strategies
- Contact prioritisation; brands can assess which customers require attention most urgently, which are most profitable and which present the best opportunities for cross selling and up selling

#### *Benefits for the Customer*

- Strengthen the concept of the “brand”; with all channels integrated customer experience is greatly simplified and improved
- An improved knowledge of the client base allows companies to respond quicker to customer requests and increase customer retention.

- Data changes are simplified meaning any updates to personal information is quick and convenient
- Minimises duplicated marketing communication as well as improving general targeting. Customers will only receive relevant information and receive it at times that suit them

### **Problems**

Problems initiating a successful SCV tend to arise in larger businesses, particularly those that have undergone mergers or similar structural upheavals. These companies tend to have a variety of data sources based on a variety of platforms. Smaller companies with new, relevant information find it easier to implement a Single Customer View. However these businesses should be aware that as they grow it is important to keep data in compatible formats to avoid problems further down the line. When a true SCV is achieved companies can analyse past behaviour with high levels of detail and efficiency and then target and personalise future customer interactions.

### *Keeping Data clean or “Garbage in – Garbage Out”*

The Single Customer View is only really successful when a database is kept clean, de-duplicated and up to date. The SCV is both a unifying and individual process; providing insight into individual contacts whilst allowing proactive outreach and automated communication. However if the data put into the database is outdated or insufficient this process is impossible to achieve. The old adage goes:

Put Garbage In – Get garbage Out!

### **Solutions**

In order to avoid a fragmented and unproductive CRM solution it is key for businesses to ensure they put only clean data in their

system. Once it has been imported most CRM solutions allow the information to be regularly updated and amended. This keeps data fresh and relevant. Users are often allocated security levels to determine how much data they can change.

As well as this Conversation Managers and Preference Centres can also be a vital part of the Single Customer View. These online portals allow brands to engage customers in a two way marketing relationship, sharing preferences and contact details. This process keeps the database up to date by allowing customers to regulate their own information.

### **Key Points**

- The Single Customer View is the cornerstone of any Customer Relationship Management solution
- It is only as good as the data put into the database, if poor quality data is uploaded the database will yield poor quality results
- The main benefit to the Single Customer View is a complete 360 view of the individual contact, as well as placing that contact with in the database as a whole
- This improves both outbound sales work and existing customer relationships

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What is marketing automation?



*A more automated approach to marketing is now considered a necessity rather than a luxury*

**Marketing Automation is a term that refers to the process of organising and automating repetitive tasks within a marketing department. The goal of Marketing Automation is to provide powerful, personalised marketing material to the customer base at the right time, resulting in a simplified and highly effective sales process. When implemented properly a Marketing Automation strategy will allow companies to conduct a thorough, end to end marketing process which involves:**

- Generating and nurturing high quality leads
- Converting these prospects into customers
- Satisfying and up-selling to these customers

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Performing analysis and detailed reporting on the process  
Perfecting the process, ensuring maximum ROI Marketing Automation is usually considered an integral part of a Customer Relationship Management (CRM) strategy/solution. The cornerstone of CRM is taking complex strands of data and streamlining them into an efficient and productive strategy which is precisely what Marketing Automation consists of. For larger organisations to target customers effectively, as well as providing excellent service to existing clients, Automated CRM is essential to avoiding missed opportunities. A CRM platform will typically automate the following processes:

- Lead Nurturing
- Lead Scoring
- Multi Channel Marketing
- Customer Interaction

Due to the emergence of social media Marketing Automation is increasingly considered a necessity rather than a luxury for modern marketing departments. There are however several difficulties when implementing a successful process. Most problems arrive from a fundamental misunderstanding of the three basic stages of marketing automation:

- Establishing contacts
- Marketing to them
- Bringing them into the database

Problems arise when companies try to cut corners with the process by buying an unsuitable list, sending out untargeted or unsuitable marketing correspondence and then wondering why they have received no fresh leads from the campaign. In order for Marketing Automation to be successful there needs to be a clear strategy.

### **Aligning Departments**

As well as providing a more successful approach to marketing and improving Customer Relationship Management, a successful Marketing Automation platform can also help align sales and marketing departments and provide a clearer company-wide strategy. Marketing Automation increases visibility across all departmental channels and gives everyone involved a better understanding of Sales pipelines and funnels. Due to the nature of Automation the quality and quantity of sales leads can be adjusted by marketing to suit sales requirements.

### **Superior Insight**

Whilst the key factor in implementing a Marketing Automation programme is increased efficiency this alone is not sufficient. Without the ability to track results and establish what has succeeded and what has failed this is merely guess work. Fortunately a further key benefit to Marketing Automation is a significantly improved degree of insight. By turning sales and marketing strategies into an automated production line it becomes simple to ascertain what is working and what isn't. Making small adjustments to the process can have a big impact later down the line and dispels the myth of marketing being a costly department and makes the entire process accountable.

### **Key Points**

Marketing Automation is the process of automating repetitive tasks within the marketing department.

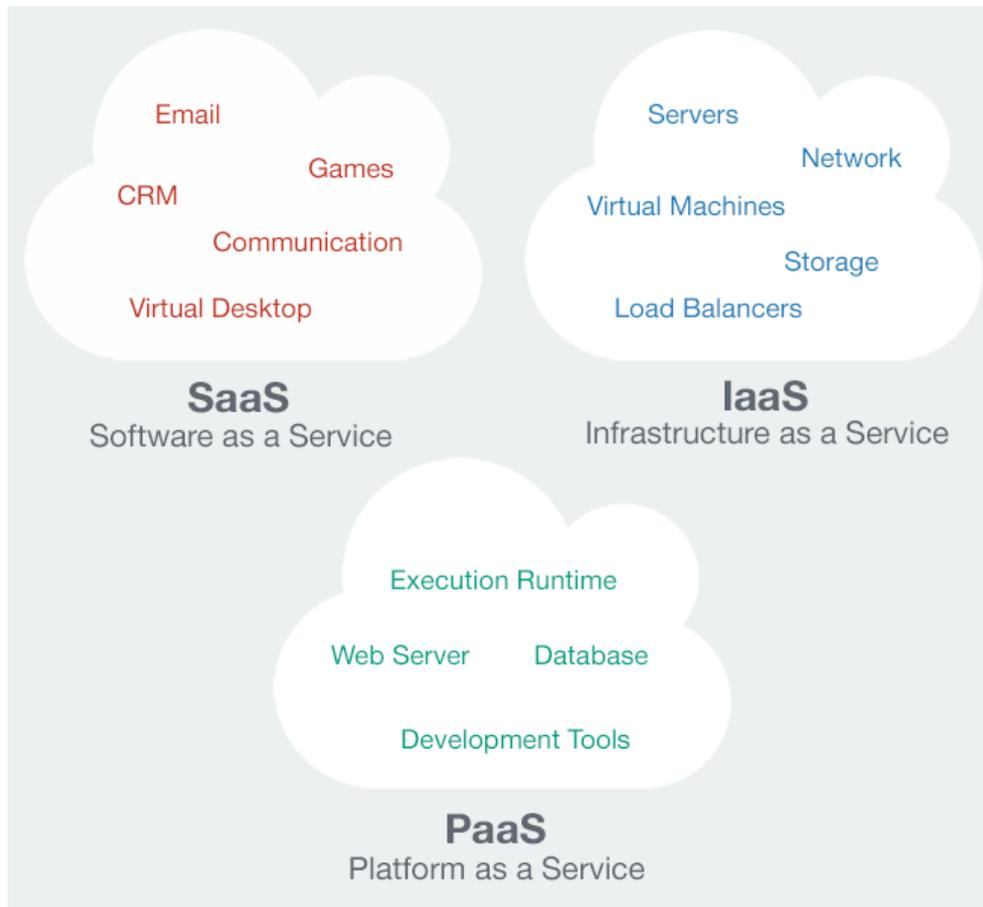
The main aims of implement a Marketing Automation strategy are too improve marketing communications, streamline customer interaction and improve the overall marketing structure of an organisation.

A successful strategy will also align sales and marketing departments, reduce operating costs and providing a better insight to sales funnels and pipelines.

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What is cloud CRM?

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**Cloud computing is the concept of storing and accessing data over the internet, negating the need to keep programmes locally on a hard drive. Where “hard” IT based environments are available only on a single device cloud programmes can be accessed at any time and on any device.**

“The Cloud” can be considered another word for the internet and dates back to the 1950s; schools and businesses would use large scale mainframes which resembled basic server rooms. The term was originally used in diagrams to describe the movement of data from internal file centres to external “clouds”.

Modern cloud computing is increasingly becoming the norm and

focuses on convenience, cost saving, and compatibility. Cloud computing seeks to shift focus from Hardware to Software.

The three main branches of Cloud Computing are:

### **Infrastructure as a Service (IaaS)**

A standardised computer infrastructure owned and hosted by companies such as Amazon or Rackspace and rented to customers on-demand. Unlike traditional software purchases the user is normally charged based on how much of the provider's resource is allocated and consumed. IaaS often provide the backbone of the client's online presence.

### **Platform as a Service (PaaS)**

The customer purchases a platform on which they create their own software or applications using the tools or storage facilities of the provider. Typically these custom programmes can be deployed, tested, hosted and updated from a streamlined environment.

### **Software as a Service (SaaS)**

Sometimes referred to as "On-demand Software" SaaS solutions are a web based service which provide access to software remotely. These solutions often cost less than traditional applications as the price is based on a monthly subscription fee as opposed to a software license. Since SaaS products are hosted remotely by the provider the IT maintenance costs are also often considerably lower.

### **SaaS CRM**

Customer Relationship Management suites are increasingly based in the cloud and are usually in the form of a SaaS model. There are several key benefits to a SaaS CRM solution hosted in the cloud:

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Convenience – In order for a CRM database to work efficiently it has to be constantly available and accessible to users. A Cloud based system allows salespeople and service representatives to access client data any time, any place and on any device.

Security – A key benefit of having a database hosted entirely by the CRM provider is the ability to set levels of access. Security roles can be allocated to members of staff and limitation of data access assigned. Most CRM solutions are hosted from secure data centres and the fact they are available online eliminates the need to store data on portable devices which may be compromised or lost.

Flexibility – Unlike traditional hardware Cloud CRM is simple and inexpensive to install. Once data is uploaded the systems are usually ready to go. Cloud CRM is also highly scalable and can be expanded as the company grows without the need for a new programme or a time consuming upgrade. Clients can often expand their system almost instantly.

Reliability – There is usually considerably less down time since all maintenance is handled internally by the provider. This also means updates and upgrades to the product are free, fast and more regular. Solutions will never become outdated or insufficient as they are constantly evolving at no inconvenience to the client.

Solid Disaster Recovery – Perhaps the most prominent benefit to SaaS solutions is the nature of cloud storage. SaaS suppliers ensure all data is rigorously backed up since any loss of information would be catastrophic for the company.

### **Key Points**

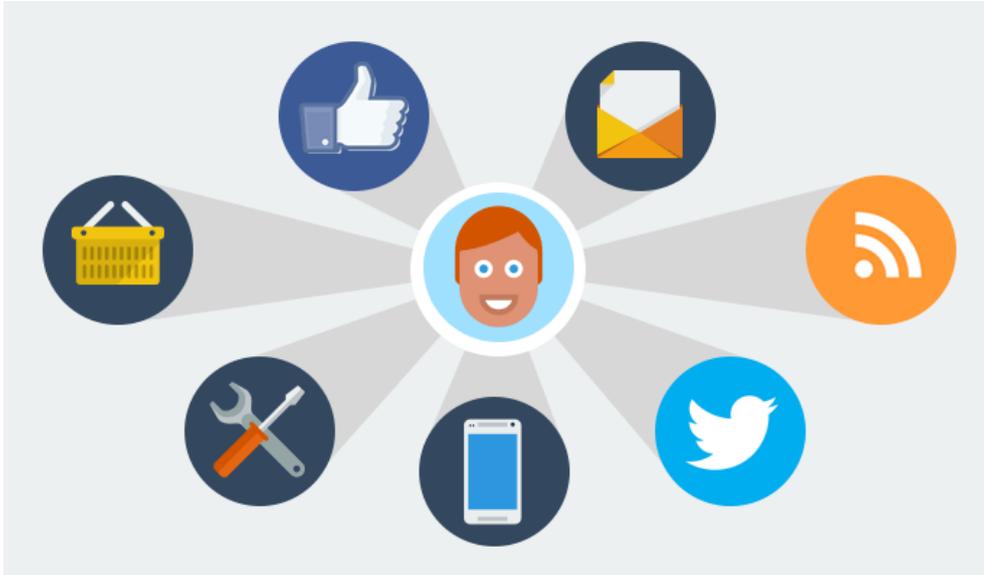
Cloud computing is split into three main groups: IaaS (Infrastructure as a Service), PaaS (Platform as a Service) and SaaS (Software as a Service) CRM solutions usually come in the form of a SaaS solution.

The key benefits to Cloud CRM are Convenience, Security, Flexibility and Reliability.

CRM databases based in the cloud are available to clients any time, any place and on any device.

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Where does social fit in?



### **Social CRM**

Social Media is playing an increasingly important role in people's lives. The worlds of marketing and CRM are no exception to this and in recent years have necessarily adapted to accommodate a more interactive, customer empowered model of relationship management. The main shift has been away from a "spray and pray" style of marketing to a more targeted, interactive and two way approach.

### **Opportunities and Pitfalls**

Social CRM presents a huge range of exciting opportunities for brands and organisations. The emergence of channels such as Twitter, Facebook and Google Plus has allowed marketers to communicate directly with their customer bases on a larger scale than ever before. However this blurring of the lines between brand and consumer has also brought its own share of risks. The consumer has been empowered by the rise of social channels and B2C brands in particular have been made far more accountable and vulnerable. There have been a series of well documented mishaps and PR disasters on social media, notably the McDonalds hash tag backfire.

However CRM solutions and social media automation can help the situation. By tracking brand mentions and allowing marketing managers to respond quickly and accordingly, social CRM solutions can often halt problems before they arise or at least before they gather too much steam.

Although embarrassment is possible if an ill thought out social media strategy is implemented there is also the opportunity for brands to use social media to give a friendlier, personal touch. Once faceless corporations can appear approachable and human. Social marketing can also be cheap and wildly effective.

### **Key Social CRM Terms**

Social CRM solutions range in both the quality of service and the scope of the solution. Although it is a hot topic it is still relatively early days in terms of actual social media marketing and relationship management. Most CRM providers promise a social model of some kind however these can range from basic integration to a complete end to end social suite. Most solutions offer one or more of the following:

#### **Single Inbox**

A unified dashboard built into the solution where all social media channels are available. Users can respond in real time. There are a number of add ons to the single inbox including:

- The ability to prioritise conversations or allocate contacts to team members
- Schedule social output over certain channels and for a designated time
- Perform keyword research to locate possible leads and keep track of brands mentions

### **Social Campaign Functionality**

Users are able to integrate their marketing campaigns with social media channels. This may include “share on social media” apps within outbound campaigns or the creation of dedicated landing pages within social platforms. Competitions or polls may carry the option of completion via social media logins which pulls these handles into the database.

### **Reporting**

Users can track how well they are doing on social media and compare this data to other marketing efforts. From here they can determine which channel is performing the best and how many leads have come from social media marketing.

### **Key Points**

- Social CRM is a relatively new concept and as yet there is no clear market leader in terms of social strategy
- Performing B2C marketing over social channels presents great opportunities but also great risks- No social media presence is better than a hurried, ill thought out social media strategy!
- The three key elements of a social CRM solution are: A single inbox, research and response and outbound marketing

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Questions or  
suggestions?

**Do you have any questions or suggestions?**

MarketDeveloper is committed to providing insight and knowledge about all things to do Customer Relationship Management, SaaS technology and marketing automation.

If you have any suggestions for topics you'd like us to discuss or have any questions about what MarketDeveloper does then feel free to drop us a line at: [studentinfo@marketdeveloper.com](mailto:studentinfo@marketdeveloper.com)

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Visit our website and discover our powerfully automated, fully trialled and field proven, hosted CRM solution.

[www.MarketDeveloper.com](http://www.MarketDeveloper.com)

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