

PRESS RELEASE

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Scott McMichael, Innovative Architects VP of Project Operations, publishes "Demystifying CRM for everyday business" in July 2007 Gwinnett Business Journal. This article is the first in a series to help business leaders better understand and leverage technology.

From the July 2007 Gwinnett Business Journal: In this article, we will look at how everyone from small businesses to government agencies and the Fortune 500 can best implement technology. For today, let's take a look at Customer Relationship Management (CRM).

CRM describes a software system for sales management or customer service. In the case of sales management, the user is tracking potential and existing customers and their notes regarding any contact with those customers. The common customer service scenario for CRM is the primary software system that the customer service representative is using to document your call. In truth, CRM is not a software system. I would argue that CRM is best thought of as a concept used alongside quality, service, and safety.

CRM is the management of every contact with your customers - with equal importance given to potential, new, and existing ones. Here are four CRM tips:

Tip 1: Sketch your customer life cycle. Regardless of the complexity of your business or the tools that you use to operate it, you should take the time to diagram your customers and their key contacts with your business. You may wish to do one set of diagrams based on customer type, and another view focused on contact type. You may be surprised! Even the most simple, home-based business may have phone, e-mail, Web sites, retail outlets, direct sales and craft shows. A great example of really understanding a full customer life cycle is the emergence of CRM in higher education. Imagine the value to a university to collect "leads" from their Web sites, applications, and other databases of prospective students, including where and when the initial lead came from and what sort of mailer / campaign was sent.

Tip 2: Creatively identify/profile your customers. I bank with a large national bank. Recently, I stopped by a banking center for a couple of transactions and the teller said, "Thank you for being a loyal customer, Mr. McMichael. Would you like me to upgrade your bank credit card to the rewards program?" The bank trained their associates to pay attention to the length of time that I have been banking with them and to look for opportunities to upgrade my service. In a simpler example, I order take-out food from an independently- owned Thai restaurant in Alpharetta. When I call, they grab the number from caller ID and enter it in the point of sale system. Almost immediately, they are able to validate my name and address and ask if I would like the usual order... chicken and coconut soup. The national bank and the local Thai restaurant are operating on the same basic premise: if I know my customer preferences, I can retain them forever!

But what happens when the bulk of your customers are anonymous retail purchasers? If you're like me, you despise it when a clerk at a retail store asks for your phone number. Perhaps a more tactful method could be to associate number of male versus female customers to their purchase types and totals without interfering with the customer interaction.

Tip 3: Remember that your customer data is your intellectual property. Whether your organization brokers multi-million dollar land development deals or sells newspaper subscriptions, ask yourself, "Do you own the customer data?" The answer is an absolute YES! The real question is how you are capturing that data so that it does not walk out the door through the natural attrition of your employees and contractors. Microsoft in its current release of their CRM product has made tremendous headway in bringing this capability to small and mid-size business to the point where it may be economical for as few as eight to 10 users.

Tip 4: Use the data! Taking the time to analyze your CRM data can help you to understand your marketing spending, your inventory of products or tweaks to your services. Collection of customer relationship management data is the foundation of your business intelligence.

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