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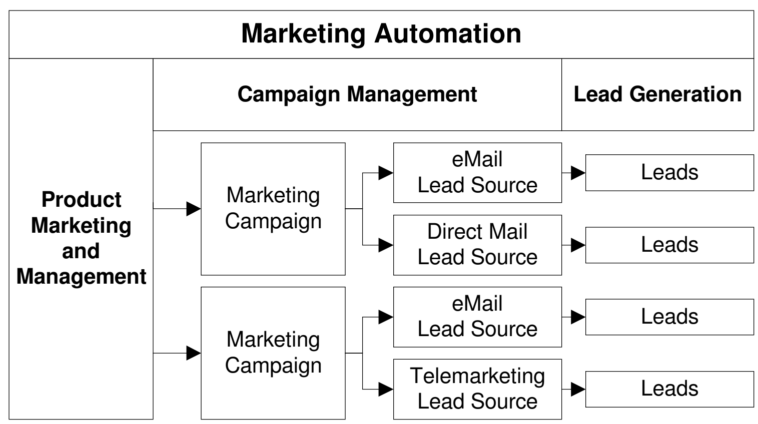
MA, SFA, CSA and PMD – The Alphabet Soup Of CRM

CRM, or Customer Relationship Management, was first devised as a way of managing customer interactions while simultaneously capturing critical data about customers and prospects. This data provides insight to marketing, sales and support organizations that must be able to identify prospects, generate and qualify leads, close deals, and understand enough about a customer to promote continued business. When properly captured and analyzed, CRM data can reveal up-sell opportunities, buying cycles and trends, customer satisfaction levels, their propensity to participate in marketing campaigns, recurring obstacles to buying (i.e. product defects, service delays, etc.), critical drivers to product and service development. Each automation component of a CRM solution is designed to capture and manage the critical data necessary to provide in depth analysis of customer interactions and drive innovative product and service development to continually attract new customers, and retain those that already exist. CRM automation components can be characterized as supporting a businesses major “customer-centric” business processes, including:

1) Marketing (MA – Marketing Automation)
2) Sales (SFA – Sales Force Automation)
3) Support (CSA – Customer Support Automation)
4) Product Management and Development (PMD)

Marketing Automation (MA)

Marketing organizations are responsible for taking a company’s products, services, goals, and objectives, and creating ways to attract prospective customers that meet a certain “target audience. These “creative ways” are called “Campaigns”, which can consist of one or more “Lead Sources”. Campaigns represent a planned attempt to acquire new leads, while lead sources identify the methods by which a campaign communicates its messages to the target audience.



Automating the marketing process provides a businesses marketing organization with software to support the planning, creation and execution of campaigns by enabling support of workflow within the software user interface. The ability to support workflow (the steps marketing users perform in their daily activities) is the key to successfully deploying a Marketing Automation solution.

Why is Marketing Automation important? When a prospective customer (prospect) responds to a campaign, a “lead” is generated. This lead is associated with its related “lead source” and “campaign”, which allows Marketing to track and assess which messages and delivery methods produce the most desirable result (i.e. quality leads). With this information, future campaigns can be further refined to provide even greater lead generation results by fine-tuning messages and further refining the target audience based on response metrics of previous campaigns.

An added benefit is the ability to correlate leads to actual “wins” in the sales process, allowing marketing not only to do comparative “lead generation” analysis, but to correlate these results to actual customer acquisitions (conversion rates) and purchases (customer value ratios). Over the long term, Marketing may discover that certain messages generate more loyal customers than others because initial expectations were more realistic and met, because better educated prospects entered the sales pipeline as qualified leads. Further, these fine-tuned marketing messages can be leveraged to focus sales teams on the task at hand – to land quality customers.

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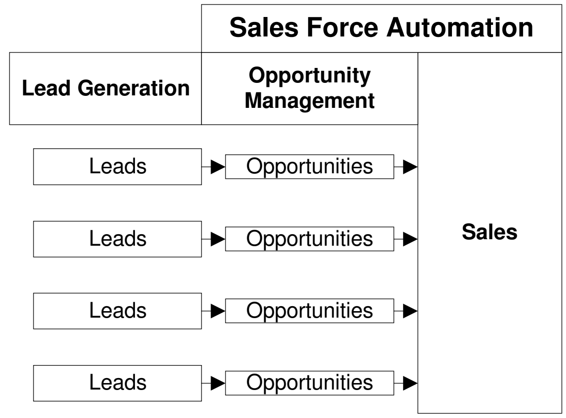
Sales Force Automation (SFA)



Businesses have diverse sales organizations that can span both inside (retail and telesales), and outside (field and telesales) components. Automating the supporting sales processes for such diverse organizations can be challenging and complex. Sales Force Automation software was created to help such organizations more easily manage the process and underlying workflow that support sales personnel in their drive to acquire and re-engage customers.

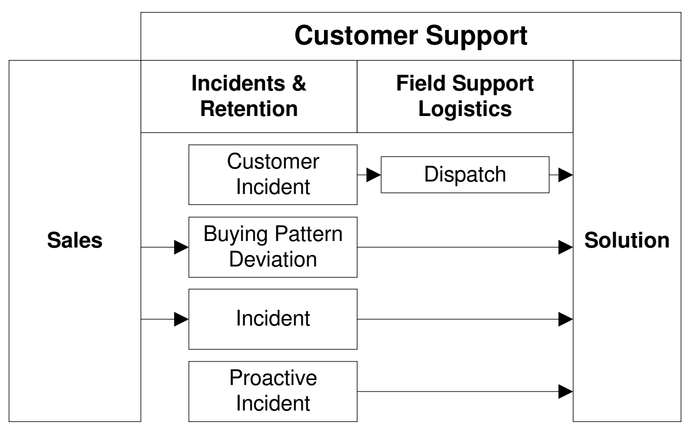
SFA typically provides account and contact management, lead-to-opportunity conversion and tracking, opportunity management, and (in some implementations) eCommerce or point-of-sale. The resulting data can be used to provide sales pipeline forecasting, sales productivity reports, sales activity by territory, sales activity by sales organization, and much more.

From an analytical perspective, one of the most valuable information that can be gleaned from SFA revolve around sales cycle. The more a business understands about their sales cycles and associated pitfalls with closing a sale, the more effectively the processes can be streamlined to deliver customers quickly and cost-effectively. The result will be a more focused sales team that operates with maximum efficiency. Sales cycles are shortened and more customers are acquired in less time, resulting in increased company revenues.

Marketing can then track and analyze sales activity data back to their driving campaigns and lead sources to determine which efforts are reaping rewards, and which are providing sub-standard leads. The result is an improved marketing process that leads to more qualified leads for the sales organization, shorter time-to-close during the sales cycle, and a customer that is more likely to participate in repeat business.

Customer Support Automation (CSA)

Customer Support organizations are responsible for insuring customer satisfaction by resolving incidents, providing post-sales support, identifying product / service defects, and dispatching such issues to the appropriate handlers for resolution.



Within most support organizations, there are two basic processes that must be managed.

Customer Incident Management Process
This process allows CSR's (Customer Service Representatives) to report and track inbound, customer-reported problems or issues. A CSR can create an incident within the CRM system, and then manage status until the incident is resolved.

Retention Incident Management Process
This process provides CSR's with a means to proactively monitor customer activity, and identify problem trends before they become evident to the customer. This allows a CSR to effectively solve a problem before the customer is even aware that it has occurred. This can often be automated by analyzing data pertaining to customer activity, identifying trends, and then auto-creating "incidents" that can be dispatched to the appropriate CSR for action. Companies that adopt aggressive Retention Management initiatives can achieve higher levels of customer satisfaction and loyalty, ultimately resulting in up-trends in buying activity.

Knowledge Management
In the case of both "Incident Management" and "Retention Management", the resulting "solution" becomes part of a knowledgebase that can assist other CSR's in identifying and quickly resolving similar issues that other customers may encounter in the future. Leveraging this knowledge will shorten the customer's time-to-resolution by allowing a company to leverage past experience as it is contained within the knowledgebase.

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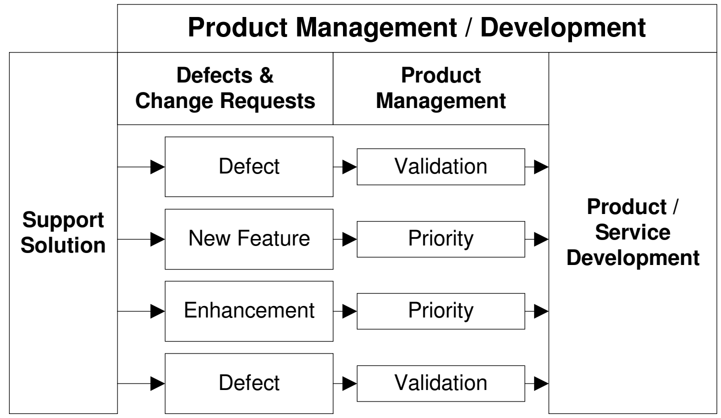
Product Management and Development (PMD)



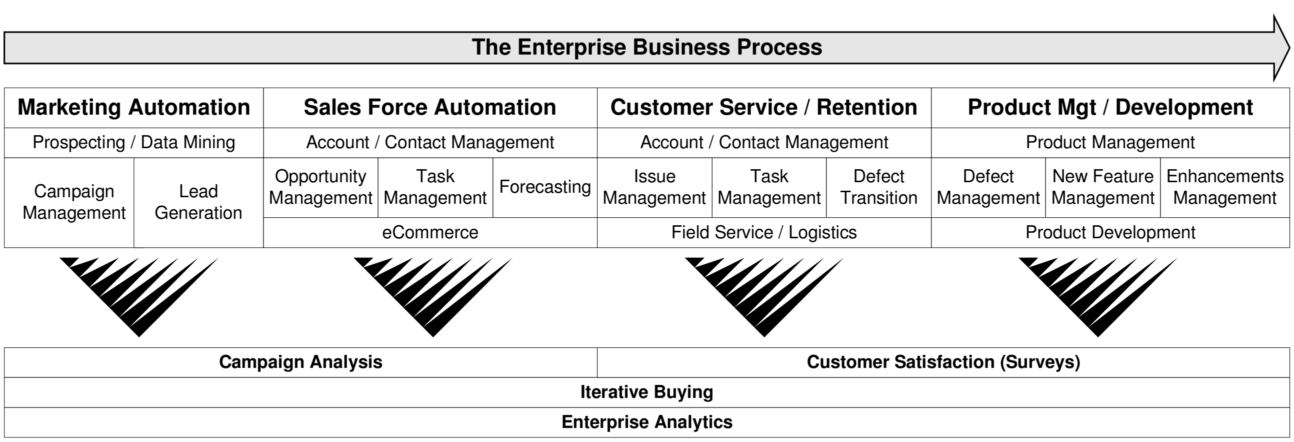
An often overlooked factor in considering a CRM solution is the positive effect it can have on a company's Product Management and Development processes.

Incidents, whether they be Customer-reported or driven by a Retention / Monitoring process, often result in the need for further action within the Product Management and/or Product Development arena. That action can be in the form of reporting a product defect, requesting a new feature, or requesting a feature enhancement. When this occurs, it is important that a CSR have the ability to "transition" an incident into a defect or change request so that these types of issues can be acted upon by Product Management (PM) and/or Development (PD) resources. Once in their domain, PM's can analyze and determine the impact of each reported issue, classify as Defect or Feature, and schedule / dispatch to the appropriate resolution resource. By including Product Management and Development within the scope of a CRM implementation, a business can more quickly provide improved products and services that meet the immediate needs of their customers.

Making Sense Of The Acronyms

So now you have learned that the acronyms of CRM (MA, SFA, CSA, and PMD) each provide automation for distinct processes within a business organization. It is also important to understand that the interaction between these processes, and the underlying data that is captured, provides a business with the information needed to understand and address their customer needs.

CRM provides business with software that supports process automation and integration that builds a seamless Enterprise Business Process. End-users of the system are provided with workflow automation that supports these processes and generates integral data that provides a 360 degree view of customer, prospect, and partner activity. CRM data can then be combined with other enterprise data to provide Enterprise Analytics that can more effectively support the Executive decision making process that ultimately determines the level of success that a business can achieve.



Effectively Implementing CRM

CRM implementations can fail if a company attempts to very quickly deploy “too much” functionality. Change Management is a big part of any new system implementation, requiring that cultural and operational factors be considered. For example, nothing could be worse than rolling out a software system that management dictates only to find out that end-users will not effectively use the system. This can occur when the corporate culture makes system usage non-critical, or when user interface design becomes and obstacle for a user group to effectively complete their tasks. In either circumstance, risk can be minimized by selectively implementing functionality and processes rather than taking a “do it all at once” approach.

A phased implementation approach is best suited to provide a low risk approach to implementing CRM. This provides the opportunity for greater success by insuring good data accumulation, functionality that helps end users do their job better, and analytical information that helps management make well-informed business decisions.

Synergex eBusiness Consultants can help your business determine the requirements necessary to provide a valuable CRM implementation, and help determine how to properly phase the implementation to provide the least-intrusive and most valuable path to CRM automation.