Don’t let your database ruin Christmas again

Five steps to solving CRM problems in smaller firms

If you mention the words ‘Christmas cards’ in most small or mid-sized firms at present, you’re likely to be met with groans from CEOs, IT departments, marketing and admin staff alike (if you are lucky enough to have all these resources).

Not because of the challenges of choosing between Santas or snow scenes, or the demands of coming up with a politically-correct greeting. The biggest headache is likely to be pulling together an accurate mailing list. (While it may also be a headache in larger firms, they are likely to have more resource to throw at solving it.)

While the Christmas card mailing is not core to revenue building, it shows up the failings of most firms’ database or customer relationship management (CRM) systems in a way that’s hard to ignore. And while missing a key client off your list, or mailing someone who’s dead is embarrassing at best, it could be highly damaging to your client relationship at worst.

RCR has carried out research into the adoption of business development and marketing best practice. We looked at a range of issues including internal organisation, planning, motivation, support systems and client focus. The overall finding to emerge was a large reality gap between intentions and actions: more than half our respondents felt that they have a large wish-list of marketing ideas that they never get round to implementing.

Further research interviews revealed that “sorting out the firm’s database” is often high on that wish-list for such firms. However the variety of underlying problems means such projects can be a nightmare best ducked and left to someone else, so nothing ever changes.

It’s not about technology

Whether you are running a fully-fledged CRM system or a stand-alone database, the issues for small to mid-sized firms are not about technology choices. Most of them do not want or need to achieve anything very sophisticated to support their business and marketing goals. In addition to putting together mailing lists easily, the list of activities that firms may want to be able to do include: identifying your best clients and prospects by sector, carrying out email marketing campaigns, linking to social media platforms, tracking marketing activity by contact or by relationship, and linking it to client information such as revenue history. For some firms sharing

CRM systems are more about culture and mind-set than technology.

information on contacts is the major hurdle that needs to be overcome before more detailed approaches to marketing are adopted. This is about culture and mind-set, not technology.

To put it another way, you want to realise the value of one of your greatest assets: your firm's clients and contacts. By knowing whom you know, understanding what interests them and tailoring activities appropriately, you should be able to make your revenue building activities more effective. Equally importantly, a CRM system that functions smoothly enables firms to free up time internally to focus on serving clients and growing the business.

Our experience of working with firms that are prepared to bite the bullet and tackle their database or CRM problems suggests that there are five key steps to easing the stress:

1. **Put people first**. First of all document the potential users of the system and how you think the system can help them. Then talk to a good cross-section, in plain English, about what they want to achieve and re-draft your initial document accordingly. Find out how they work at present (if they use a personal contacts database; if they keep a file of business cards; how flexible working affects their needs) and how they work in teams. Try to understand whether people are prepared to change their ways of working and how ready they are to share their contact data – cultural issues may turn out to be much more important than the technology ones. Taking and documenting decisions on the processes your firm will adopt is what differentiates those firms with useful databases from those with headaches.

2. **Ignore the technology**. Whether you're buying a new system or trying to make better use of existing technology, ignore the software and think instead about the business tasks you want the system to help with.

For example most small to mid-sized firms will want to create and manage lists of contacts for communications or marketing events. You may want to have access to address details of parties involved with a job. You will want to track who knows each contact, and the nature of the relationship. You may want to link to social media applications. You may (we hope you do) want to integrate the marketing database with financial systems. You should document all these scenarios too, discuss your system's capabilities with its vendor or your IT strategic director, and then re-draft. Documents like these will act as a touchstone as your system develops, helping you ensure you head in the right direction and minimise the stress!

3. **Buy outcomes, not fancy systems.** Received wisdom has it that IT projects over-run budget by a factor of five. By spending time and money up-front defining and documenting what you want and tying this into the contract with the vendor, you'll get an implemented solution (be it cloud based or hosted), not an incomplete set of expensive computer programs.

   If you are faced with an existing unsatisfactory system, then you may have to go back to square one and define what you want if you are to rescue it.

4. **Get a project manager.** Someone with initiative, determination and diplomatic skills. Who will take responsibility for making the system work and won't let excuses get in the way. Someone with experience of marketing, databases and partnerships. Someone who understands how protective people can be of their client relationships. Someone who wants to do the boring detail work as well as the big picture. And please involve them from step 1 on this list!

Spend time and money upfront defining what you and your staff want to be able to do.

5. **Hold hands**. Most people are not techie geniuses and are not good at divining what a computer is supposed to do. So train them. Teach them how the database can help them and what practices they need to adopt as well as what happens when you press buttons. Provide them with lists of frequently asked questions and manuals written in plain English. Hold their hands the first few times they do use the system, remembering that "they" includes everyone who interacts with clients and contacts. A good idea is to pilot the roll-out of your system with small groups who have a real business need for it – if they can see the benefits they should become evangelists to the rest of the organisation.

   You'll also need to recognise that some people *are* closet techies. Hold their hands too, and help them see why the system might not fully integrate with their tablet, smartphone and home TV. Yet.

These days successful implementation of a database is much less about buying the correct system (many will do what you want), but about knowing clearly and in detail what you want and how you are going to get it. Be realistic about what you want to achieve - some firms do need a sophisticated CRM system while others may be able to manage quite well for a while using basics such as Outlook.

If you act soon, you may be able to start solving some of your problems before Christmas. At the very least you should make it your New Year's resolution to get your firm's database off your wish-list and sorted. Resolve to do something about it while the pains of the Christmas card mailing are looming large in your organisation!

At RCR we specialise in transferring marketing skills to our customers, helping them boost their revenue, improve their marketing capability and enhance their reputation. In short we provide an outsourced marketing director service for our clients, tailored for their specific needs and budgets.

By understanding the demands of growing businesses we have well developed processes and systems to deliver marketing to our customers with focus, structure and direction. This is achieved through a mixture of coaching, consulting and hands-on implementation. If you'd like a bit more of an insight into working out what you should be doing with your marketing, we'd be delighted to have an informal, no cost conversation.

For more information about RCR, visit www.rcrpartnership.com or email us at info@rcrpartnership.com

RCR UK
1st Floor, 57 Farringdon Road, London EC1M 3JB
T +44 (0)20 7183 6378
E info@rcrpartnership.com