

Another Five Rules to developing a CRM Strategy !

With costs of CRM products on the increase and failure rates reportedly doing the same here are Five Tips:

- *Know your goal.* While it may sound obvious, most companies don't practice it. "Increasing customer profitability for our Web channel," "cross-selling to maximize customer value-per-visit," and "adopting one-to-one marketing tactics for our Top 50 business customers," are all admirable and ambitious CRM goals, but each requires drastically different development tactics, says Dyche.
- *Start small; think big.* Business requirements should not appear all at once and fully formed. Dyche notes that the most successful CRM projects begin by addressing a high-impact but narrow business goal and using the resulting infrastructure as the foundation of subsequent CRM projects.
- *Don't underestimate the necessary data.* Data is a critical CRM component, whether you're implementing operational CRM--customer-facing solutions, such as contact management--or analytical CRM, which incorporates decision support and data mining to further refine business actions. Unfortunately, Dyche says, many companies don't want to make the effort to integrate customer data from disparate operational systems.
- *Establish measurable objectives.* "It's one thing to declare a new campaign or live chat rollout a success," says Dyche. "It's another thing to explain to management exactly how much money the new CRM functionality has saved--or generated."
- *Consider CRM a process.* If you simply describe CRM as a finite project with a single, fixed deliverable, you invite smaller budgets and less management support. As Dyche says, it's all about the journey. Once you document your company's CRM requirements, prioritize their deployment based on the degree of impact they have on customer perception and their revenue potential.

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