



How to Create Your Organization's CRM Vision



CRM  Success.com™ Research by salesforce.com

If you have Comments, Feedback or Questions on this research, email: AskWendy@crmsuccess.com



How to Create Your Organization's CRM Vision

Many executives can recognize they have a customer relationship management (CRM) problem if the signs are simple, such as lack of a consolidated view of the total customer across multiple business units, sky-high administrative costs from a convoluted sales and customer enrollment process, escalating customer service expenses, or poor sales pipeline management. However, few executives recognize that some of their problems may stem from the lack of a clearly articulated and well-communicated vision for managing customer relationships.

A CRM vision entails creating a picture of what the customer centric organization wants to look and feel like and what it wants to be to its target customers. In April 2005, we conducted a survey of over 500 salesforce.com customers to find out whether they believed they had a strong CRM vision. The term "customer" was defined loosely to mean whatever constituents the client targeted, such as consumers, employees, donors, alumni, citizens, members, businesses, patients, etc. We found that 12 percent were in the limited action stage, 35 percent were developing their CRM vision, 43 percent were practicing or optimizing, and 10 percent were in excellent condition with 1 percent of these feeling they had achieved the maximum value theoretically possible from their CRM vision.

Here we provide a number of examples of real companies' CRM visions we have collected from various sources.

Sample CRM Vision Statements Used by Organizations Today

- Work with our members in a trust-based relationship to represent their interests, and to satisfy their needs for high value, security, and peace of mind in motoring, travel, and home.
- Build and maintain long-term relationships with valuable customers by creating personalized experiences across all touch-points and by anticipating customer needs and providing customized offers.
- The #1 Fleet services company that is passionate about reliable service and best at helping our customers save money.
- Nurturing relationships one cup at a time. Deliver a customer experience that consistently develops enthusiastically satisfied customers in every market in which we do business.
- We will be a leading financial services company which is trusted by you and renowned for getting it right.
- Before we do anything, we ask ourselves, "What's in it for the customer?" Put the customer at the center of everything we do.
- Customer loyalty is our highest priority. Personalized service for all customers. Provide the communication channels the customer wants.
- Customer experience management: own it. (Posted on the walls and cubicles of employees at this company reminding everyone to take personal responsibility for ensuring a good customer experience during every customer interaction.)
- Nothing is more important than making every user successful. (Our CRM vision at salesforce.com.)

We have noticed that the organizations that have the more compelling CRM visions, typically also have a name (e.g., The Diamond Project) and a graphic (e.g., The Vision Pyramid) to communicate their CRM vision.

Why Your Organization Needs a CRM Vision

Without a CRM vision, employees don't know what to deliver and customers don't know what to expect. Customers and other stakeholders need to have a clear image of what to expect when they interact with your company and what the enterprise offers in comparison to the competition. Customer experiences need to be defined and managed and not left to the mercy of market forces and the competition. Your CRM vision helps the organization articulate what the ideal customer experience should be.

Research studies of successful enterprises show one clear determinant of success — the enterprise knows precisely what value it is delivering to who and how it is going to achieve it profitably. Many companies have clouded and impotent visions. Successful CRM demands a clear vision so that a strategy and infrastructure can be put in place to achieve it.

Organizations successful in customer relationship management display inspirational leadership and a passion for serving their customers — ensuring that their customers are successful in achieving their goals. They build a market position against competitors with defined customer value propositions based on known market requirements and personified by their brand. These customer value propositions are then well communicated in the form of a strong CRM vision. Having a strong CRM vision is an important component of CRM success. As the commonly quoted proverb from the bible states, "Where there is no vision, the people perish."

Five Steps to Building or Fine-Tuning Your CRM Vision

Step 1:

Document and examine your current core business proposition to customers.

Step 2:

Do customers agree with your core business proposition and associate the enterprise with it? If yes, use these core customer values to develop your CRM vision. If no, use the customer feedback to refine your core business proposition to customers.

Step 3:

Determine whether your core business proposition to customers is different from that of the competition. If not, work to build a market position against competitors by examining the key attributes that customers look for when choosing you (e.g., innovation, quality, expertise, involvement, leadership) and how your products/services/relationships satisfy their requirements.

Step 4:

Is your core business proposition to customers well known and understood by your staff? Does it motivate them to serve customers well? If not, create a story (e.g., video, storyboard, script) of what the ideal experience for a customer in dealing with your company should be so that everyone in the enterprise knows what he or she is striving to achieve.

Step 5:

Ensure that there is leadership. A high-ranking senior executive must own the CRM vision and provide the inspirational leadership in creating and promoting it among staff, stakeholders, prospects, and customers.

About the Author:

We are excited to welcome Wendy Close to the CRM Success team as our CRM Success Expert. Prior to joining salesforce.com, Wendy Close served as a research analyst and director in Gartner's Research organization for over 11 years. During her decade at Gartner, she developed over 200 research reports on various aspects of Customer Relationship Management from sales automation to customer experience management to contact center performance management. She has spoken at numerous CRM conferences and events, has been quoted on the topic of CRM over 1000 times in various journals and publications, and has provided CRM advice to many of the biggest companies and most successful companies in the world. Most recently, Wendy was Gartner's lead analyst on customer relationship management strategies, technologies, and suppliers for midsize businesses, midsize divisions of the large enterprise, and small firms.

Looking for more Complimentary CRM Research?

For more complimentary CRM research including best practices, benchmarks, tips, advice, tactical guidelines, strategic planning, and more, visit:

<http://www.crmsuccess.blogs.com/>

Are you new to CRM and need some CRM Advice?

If you have CRM questions about the best CRM strategies to pursue, the benefits you can expect from CRM investments, or what to budget for your CRM project and how to justify the investment, email your CRM questions to AskWendy@CRMSuccess.com.