

THE C.R.M. POCKETBOOK

2nd Edition

By David Alexander and Charles Turner

Drawings by Phil Hailstone

“Brilliant and inspiring even for an organisation that has focused on building long-term profitable customer relationships, this book sets the context for the next Millennium.”

Mike Norris, Chief Executive, Computacenter plc

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THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

EXPLAIN WHAT CRM IS

In any organisation terminology becomes confused. One of the most common confusions is between Direct Marketing and Customer Relationship Management.

Direct Marketing

- Marketing activity based on customer knowledge built from customer data
- Direct marketing campaigns to acquire, retain and grow customers, and to cross-sell
- Marketing channels to support: help lines; web

Customer Relationship Management

- Business-wide commitment not just marketing, **cross-functional**
- Business organised around customers **not products**
- Single view of customer across all touch points, **technology challenge**
- Multi-channel delivery of goods, information **process**
- Relevant dialogue across all touch points, **communication**
- Any opportunity for two-way engagement with the customer as a participant

Use the definitions in this pocketbook to help build your communications plan.

THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

SHIFT IN EMPHASIS NEEDED

CRM is driving the development of **marketing techniques** to meet the needs of two-way dialogue with customers across many touch points. Traditional techniques are still of value but must be integrated into a planned mix. Key challenges are to:

- Understand the different types of touch points your customers use (the range has increased dramatically)
- Know how to apply direct marketing techniques across the different touch points and customer segments
- Create a truly consistent message and integrated campaign to ensure consistency of experience
- Achieve effective marketing in an operational CRM programme through the synthesis of established and new marketing techniques



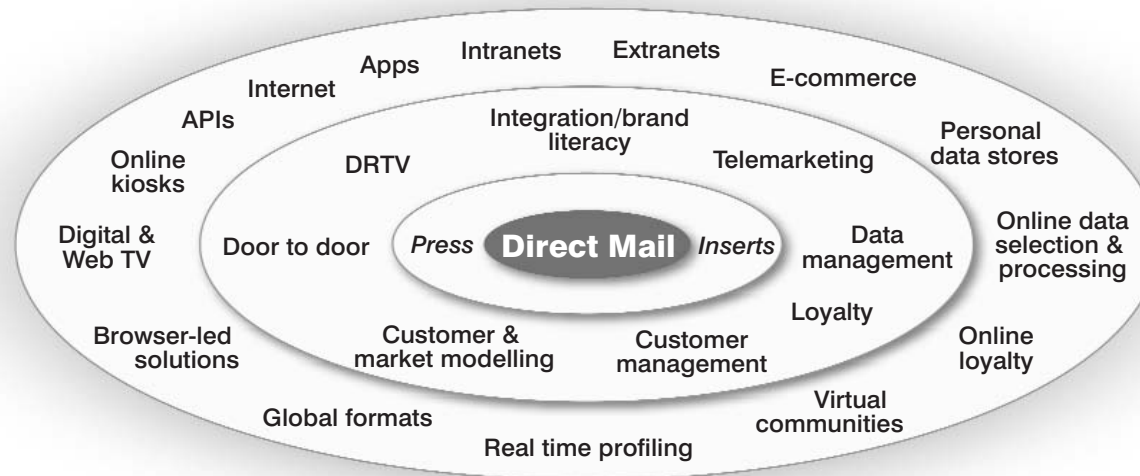
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MARKETING

THE CHALLENGE

The marketing challenge under CRM is to identify the optimum way of utilising the wide range of techniques and channels to develop effective, valued, trusted and profitable customer relationships across multiple touch points in line with business objectives.



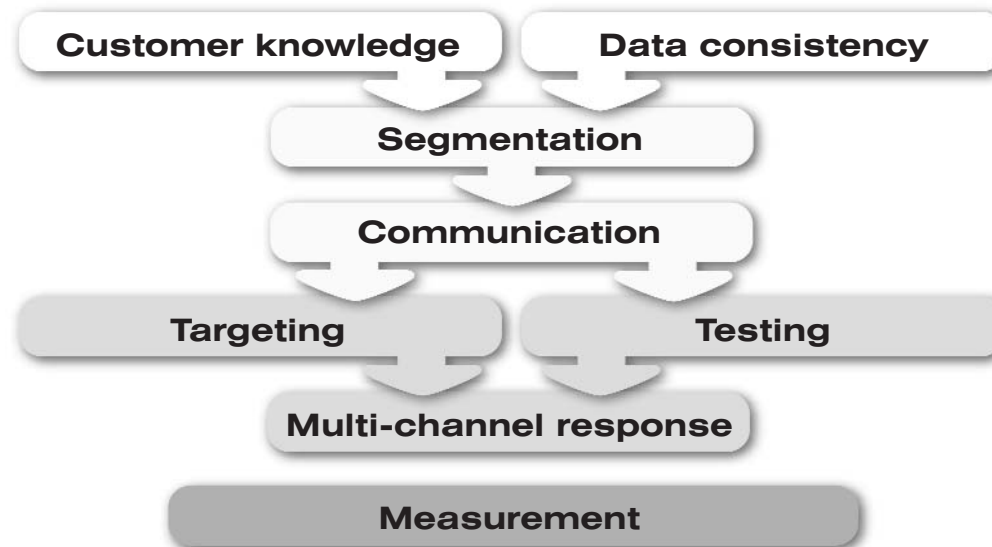
THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

EIGHT AREAS OF RESPONSIBILITY

All CRM programmes should have a marketing contribution covering the following areas:



THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

STRATEGY FOR BUILDING CUSTOMER KNOWLEDGE

All successful relationships require knowledge. Marketing within a CRM programme will build customer knowledge through effective engagement with the individual, who is able to participate in ways that make sense to them:

- Questionnaires, online and offline
- Transactional data
- Reply forms and cards
- Capturing details of all customer interactions

Key questions for your marketing department to address are:

- What is our company's CRM knowledge strategy over multiple touch points?
- What knowledge will drive future company performance?

THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

DATA CONSISTENCY & USE

One of the greatest challenges concerns data quality. Where data is collected at multiple touch points (web, direct mail, call centres, etc) there must be consistency. Key questions to address are:

- What is the overall strategy for collecting customer data?
- How can this knowledge be consistently collected?
- How will it be analysed to further understand customer needs and behaviour?
- Does the IT department understand how customer data is used in marketing and across the organisation?

Fundamental to achieving high data quality is effective engagement with the individual in the process of collecting, managing and enriching data. They won't engage in this process unless it adds value to them and there are simple and easy mechanisms in place. The emerging theme of Volunteered Personal Information and the use of personal data stores, which enable people to capture the data relating to their lives and share it online via APIs, offer the greatest potential for organisations seeking to enrich their customer relationships and engagements.

THE DIFFERENT ROLES PLAYED IN A CRM PROGRAMME



MARKETING

CUSTOMER SEGMENTATIONS

Different customers have different values/worth to a company. Marketing's role is to take these segments and develop marketing programmes that generate loyalty and longer-term profitability.

For example, airlines run loyalty programmes in which the best customers get:

- Superior service (fast check-ins, last to board)
- Executive lounges
- Privileged partner offers
- Reward points
- Greater recognition
- Better support services (eg: call centres)

How will the marketing to customer segments be treated within your overall CRM strategy?

About the Authors

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David is the Chief Executive/ co-founder of Mydex, a community interest company that provides a trust framework and platform for individuals and organisations to exchange information and ensure trust in identity and data is achieved across the internet. David previously held roles of Director of Strategy and Marketing at Northgate Information Solutions and Group Development Director at Computacenter plc. David is active in his community as a group scout leader and school governor. He sees engagement from many perspectives daily and is passionate about effective and empowered engagement and collaboration between organisations and individuals.

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