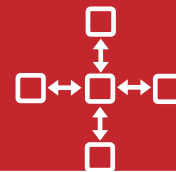
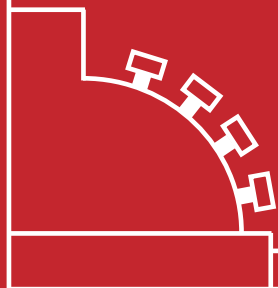
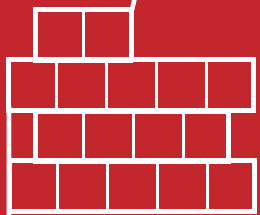
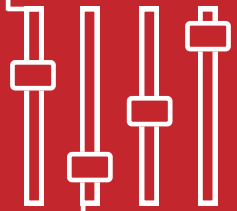
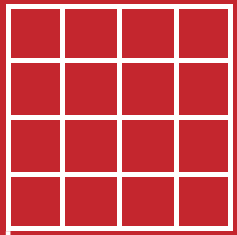


The CRM Maturity eBook

a collier pickard publication



CRM Maturity eBook v.2.0.

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“Superhuman effort isn't worth a damn unless it achieves results.”

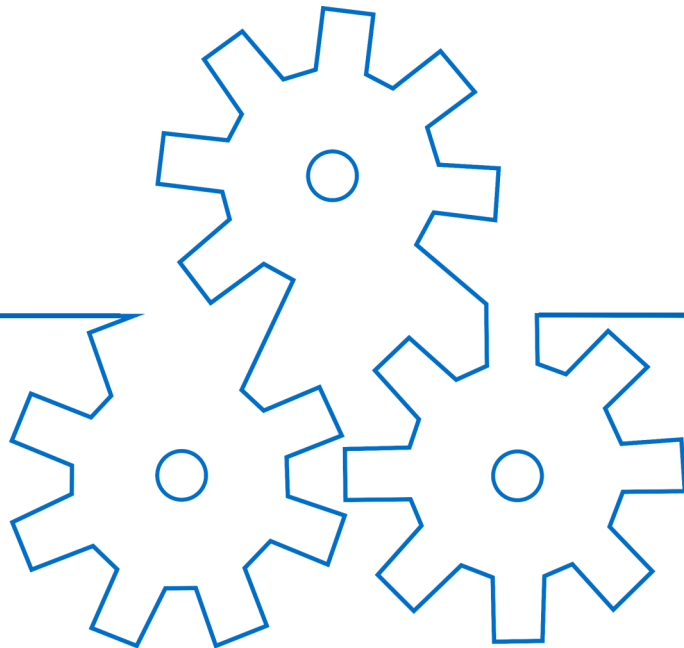
Ernest Shackleton, 1916



Foreword

In 2009, we published the first edition of [The CRM Pocket Book](#), subtitled “**What works ... What doesn’t**”.

The pocket book includes a chapter entitled **CRM components**, which identifies Operational CRM, Analytical CRM and CRM Best Practice as components in the world of CRM. Since 2009 we have enriched some of thinking with the concept of **CRM Maturity**. We have refined a model and a structure for **measurement**.



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We hope you find this eBook of value—together with our [library of eBooks](#) and the many articles in [CRM Insights—The CRM Blog](#).

Results

Everyone wants **results** from CRM.

- Improved new customer or target client acquisition rates
- Improved prospect-to-customer conversion ratios
- Increased customer satisfaction ratings
- Increased long term client retention
- Greater market share
- Greater profitability
- Reduced costs

The goal is often expressed as a desire to **transform** the way the organisation works. Change the **focus**. Move away from the way that things have been done for a long time. Get better data for **management decisions**. Improve organisational **awareness** of the customer, the stakeholder, the prospect, the target client. Make it **easier** for people to do business with us.

But making this transformation and delivering the results is not straightforward. You need a **plan**. A **programme for change**. And a structure by which change can be **measured** incrementally along the way.

This eBook describes **CRM Maturity** as such a programme. A structure and set of measurements which can help you **get results**.



CRM Maturity

Search the web and you'll find lots of references to CRM Maturity. Here are some simple definitions:

Poor CRM Maturity may be defined by:

- No clear definition of your customer/client
- Unreliable data on customers held in disparate locations
- No appreciation of customer's desires or expectations
- Customer value is not measured, hence, "blind" investments in relations made

Average CRM Maturity:

- Customer definitions exist, but no consensus across the organisation
- Relevant but incomplete information available, held in silos and not analysed
- Knowledge of customer preferences exist, but offerings not tailored
- Current value understood, but future value not actively considered, hence opportunities lost

Excellent CRM Maturity:

- Agreed customer definition linked to present and future strategy
- Comprehensive customer information within single view; data analysed to prompt action
- Ability to remember and recognise customers and tailor your offering to their preferences
- Clear understanding of customer's current and potential value; guides design of and investment in relationships

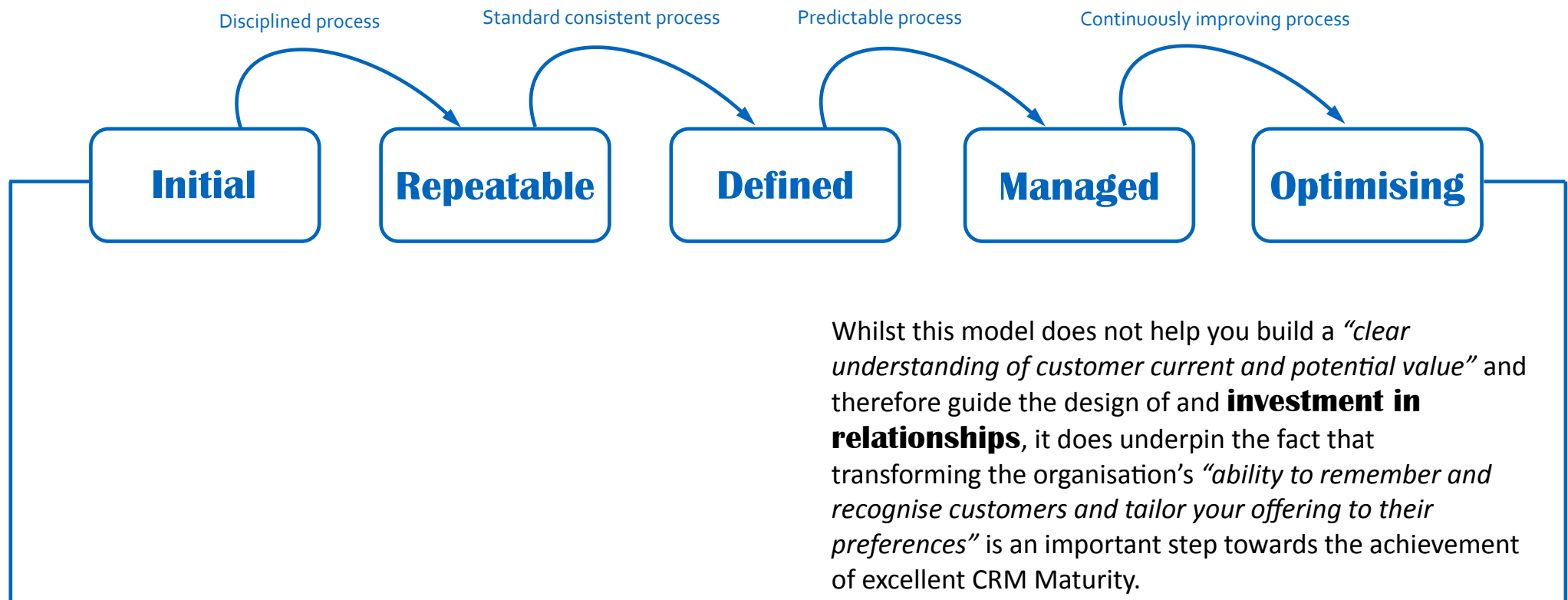
This set of definitions (from the exalsoncrm blogspot) mirrors material produced by Gartner and other global research organisations. And it is reflected in [blog posts](#) and articles published elsewhere by a variety of contributors.



Transformation

So the vision is to transform the way the organisation regards the customer, the stakeholder, the client, and move to the “Excellent” level of CRM Maturity.

The Software Engineering Institute at Carnegie Mellon University (SEI-CMM) defines this transformation in terms of optimising processes:



Customer value

If optimising processes does not, in itself, help you build a clear understanding of customer value, what does?

The answer lies within your **CRM culture**. Your principal relationship manager, your customer focus team, your client responsible partner—whoever has ultimate responsibility for the customer or client—needs to quantify his/her/their opinion and share it. This quantified opinion can then be blended with more conventional metrics which measure customer value.



If you can accurately measure customer value, then transforming your organisation becomes that much **easier**. **Segmentation** becomes the tool which helps dictate changes in working practice. Identifying the profile of your “**most valuable customers**” allows you to focus your operation on providing the special treatment deserved of such important relationships. Identifying the attributes of your “**most growable customers**” provides the insight needed for competitive knock-out and revenue growth.

Acknowledgement: “Most valuable” and “most growable” are terms used by [Peppers & Rogers Group](#) in its approach to customer relationship management.

Integration

Now back to the main theme of this short publication— CRM Maturity.

If CRM Maturity is to deliver the ability to transform your organisation, make it more client focussed, more customer-centric, and to optimise customer-touching processes— what are the prerequisites to success?

The answer to the question is **integration**. Before processes can be optimised within your CRM Maturity programme, you must get to a point where information becomes **trusted**. It must support team working ... **collaboration**.

Your CRM culture and the technology which supports this culture must deliver a “single version of the truth”. One **focal point** which everyone uses ... knowing that the information therein does not need to be ratified prior to use.

Integration of this type will increase the **speed** with which members of your team can work. Make things easier for the customer. And it should **reduce** your costs of operation.

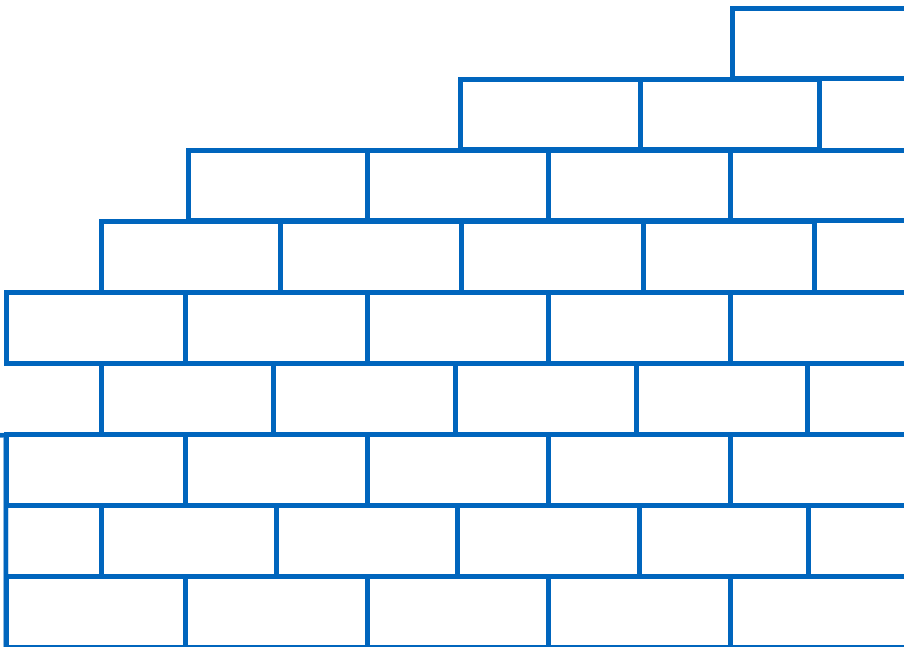
And importantly, if things get easier and more efficient, then the frustration of waiting for information from colleagues can be removed and job satisfaction improves.

CRM Maturity Integration = $\frac{\text{accurate relevant data}}{\text{single source}}$ + accessibility + trust

Foundation

Transformation, process and integration develop from **collaboration** between the client-touching parts of your organisation. But collaboration cannot take place unless you have a solid **foundation**. A basis for **trust**.

The information shared within your CRM culture, the data captured and stored by your CRM technology, must be **accurate** and **reliable**. It must be **consistent** and **relevant**. And it must be accessible to others in a **timely** manner.



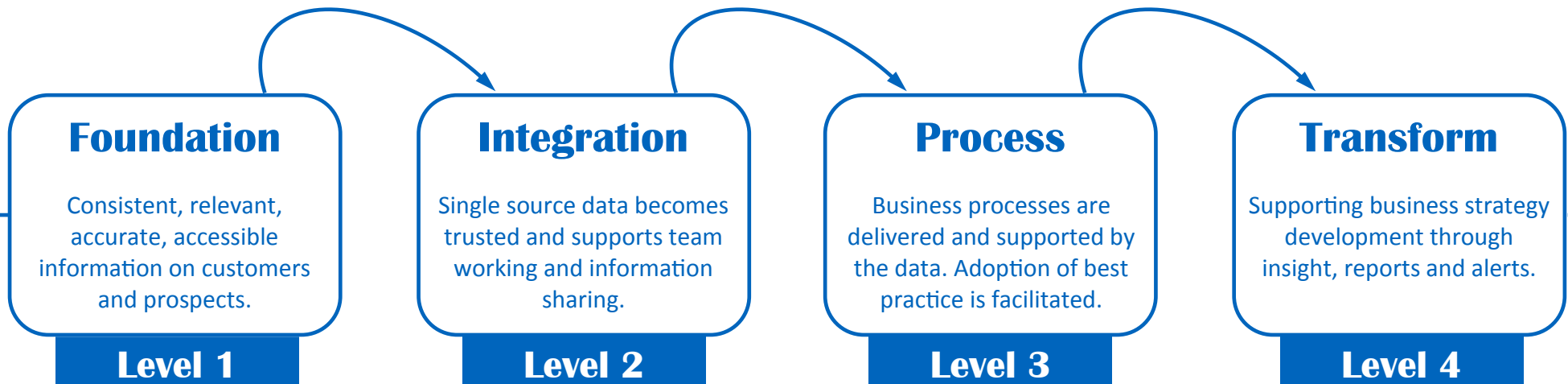
Now none of this is revolutionary. Everybody wants accurate data. The problem is one of **adoption**. How do you get your customer-touching people to update your CRM database in an accurate, relevant and timely way? How do you convince a senior partner or a busy sales exec to update a database regularly?

The answer to the question is “**education**”—as defined in [The CRM eBook](#). And your education programme needs to address the big question for each user of the CRM system: “*What’s in it for me?*”

Assessing the ways that **benefits** are derived from the development of excellent CRM Maturity—personal gains, not just institutional benefits—is the basis of your educational messages. And these messages may need to be delivered at an **individual** level from time to time.

The Collier Pickard CRM Maturity model

The model for [CRM Maturity](#) has four levels:



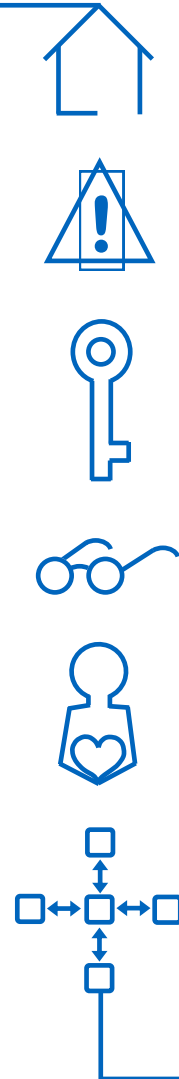
You must [assess your current position](#) within the model before you jump into CRM improvements. You must have a solid Foundation for CRM (Level 1) before you go further.

Some organisations attempt to enter the Process Layer (Level 3) without considering this CRM model. But the absence of a solid Foundation, a lack of Integration will make success difficult to achieve. The creation and fine tuning of Best Practice will not be straightforward if a culture of information consistency and trust has not been developed.

Delivering change

The CRM Maturity model is now defined and its rationale exposed. The next question relates to **making it work**. How do you move your organisation towards excellent CRM Maturity and improved customer focus?

The answer lies in the world of applied psychology and effective **change management**. SEI-CMM references the Patterson-Connor Change Adoption Model and [CMMI](#) in this context.



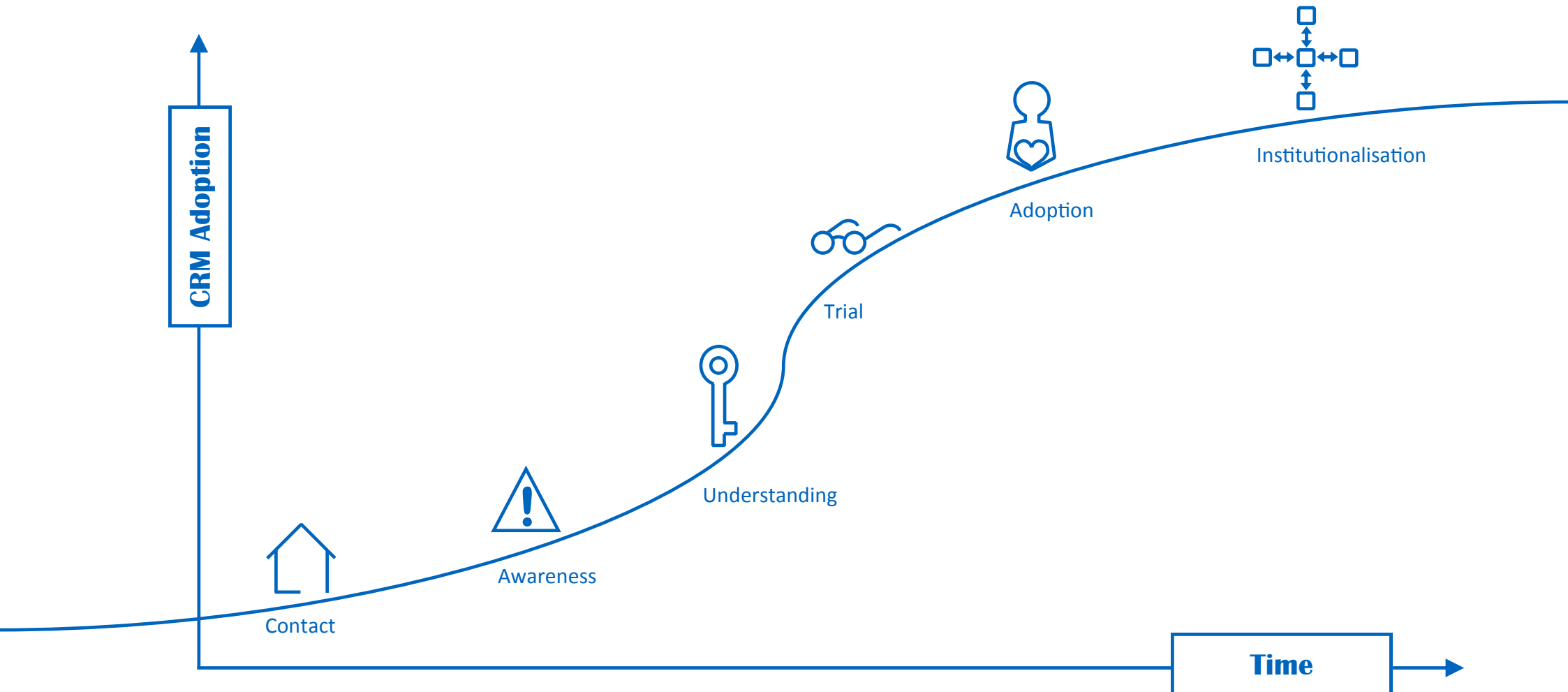
Here are the steps of the Patterson-Connor model:

- **Contact:** create presentation material which references your existing culture and your vision, using relevant terminology and examples
- **Awareness:** build longer tutorials for the different roles within your organisation and develop quick appraisals to share understanding of your baseline for change
- **Understanding:** chart how processes are the responsibility of the different roles across the organisation and build the gap analysis which defines change
- **Trial:** devise a measurement system, target a pilot user community and customise education/training for these early adopters
- **Adoption:** create role-based education and training, including senior management; reinforce change messages and re-appraise opinion and practice periodically
- **Institutionalisation:** introduce process reviews; fine tune and tailor the model; include orientation for new employees and stakeholders; and measure change success.

Model for adopting change

The concepts of this model are ratified by [similar models](#) employed by global practitioners in change management, like Deloitte. Although different at the detail level, all change models share the same concept:

Awareness → Acceptance → Buy-in → Ownership

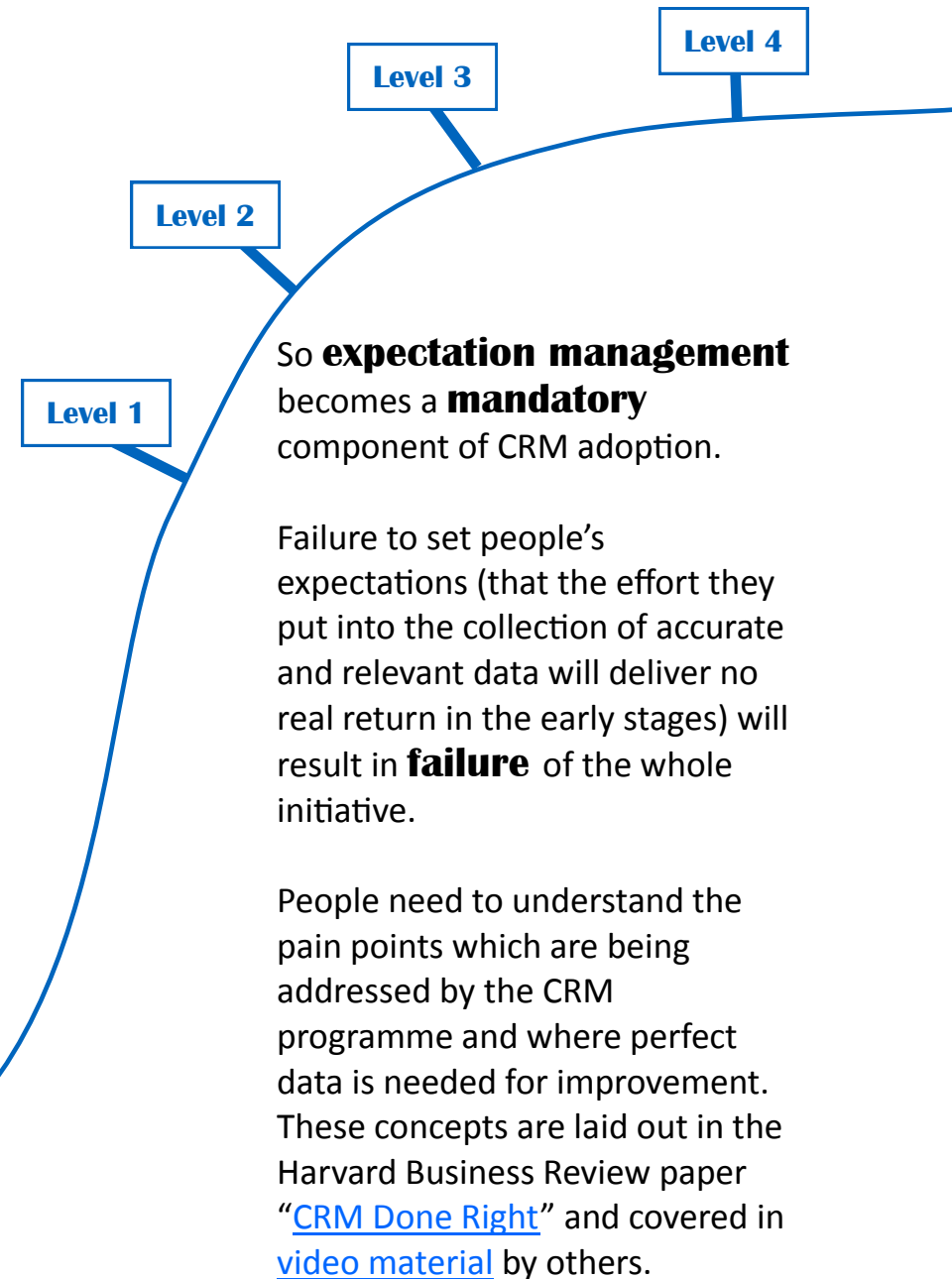


Effort and results

Returning to the Shackleton quote at the beginning of this book, **effort** is required to deliver results from CRM Maturity.

Results from levels 2, 3 and 4 of the CRM Maturity model—Integration (2), Process (3), Transform (4) —can be measured and reported.

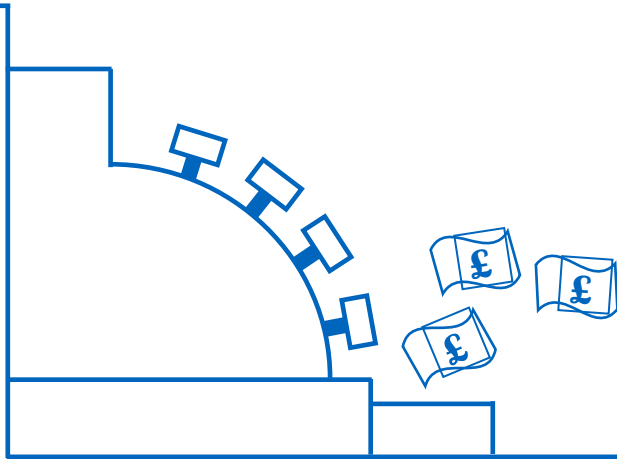
Level 1 however—Foundation—appears to be **hard work** for little or no return.



So **expectation management** becomes a **mandatory** component of CRM adoption.

Failure to set people's expectations (that the effort they put into the collection of accurate and relevant data will deliver no real return in the early stages) will result in **failure** of the whole initiative.

People need to understand the pain points which are being addressed by the CRM programme and where perfect data is needed for improvement. These concepts are laid out in the Harvard Business Review paper "[CRM Done Right](#)" and covered in [video material](#) by others.



CRM Maturity in practice

Let's look at examples of how the CRM Maturity model maps out in **the real world**:

One of our customers—an operator in the conferencing and exhibitions market—has built such excellence in CRM Maturity that it now achieves a **492% return** on its marketing spend. Each marketing campaign is delivered to exactly the right targets through a mature CRM culture—with its foundation of accurate, relevant data.

We helped another client—in the manufacturing world—undertake a CRM Maturity assessment throughout its European operation. The score for Level 3 (the Process Layer) was very high. This means that the organisation is **truly focussed** on the customer and making it easy for people to do business with the customer-facing operation.

But the scores for Levels 1 and 2 (the Foundation and Integration Layers) were low ... meaning that individuals have to search for and ratify all the information needed to deliver excellent customer service *every time they need it*. There is no common, trusted source of perfect data. CRM for this organisation will **reduce** the **cost** of daily operations significantly by allowing the professionals within the organisation to spend more time on the real task at hand—winning business and developing top class customer satisfaction.

What works 😊

What doesn't 😞

Understanding that CRM Maturity is a multi-step process works ...	Trying to transform your business without a foundation in accurate data doesn't.
Building a programme for culture change and expectation management works ...	Expecting people to just "get on with it" doesn't.
Assessing your start point and building gap analysis works ...	Defining goals for CRM without understanding the journey to deliver them doesn't.
Letting people know that the Foundation for CRM will not deliver much of itself works ...	Expecting effort for little or no return doesn't.
Delivering real benefits to the individuals involved in CRM works ...	Believing people will do it for the good of the organisation alone doesn't.
Re-appraising your position and CRM effectiveness periodically works ...	Leaving CRM to do its job year after year following implementation doesn't.
Continually fine tuning customer-facing processes works ...	Attempting to get it right first time doesn't.
Prompting action based on assessments of customer value and future value works ...	Ignoring the specifics value of customers doesn't.
Investing in relationships based on customer value works full stop!

CRM Maturity assessment

Earlier we talked about **measurement**. The ability to quantify your start point and subsequently assess improvement along the road to "excellent" CRM Maturity.

In an ideal world, the questions you ask yourself and your organisation would be specific to you, your market and your top level goals. Such assessments are relevant—but time consuming to construct and fine tune.

On the other hand, a generic measure of CRM Maturity can deliver meaningful scores and output—without the delay.

So why not take our [CRM Maturity Assessment](#) for a **test drive?**

The questions are constructed around the four levels of the CRM Maturity model. Some will not be an exact match to the terminology you use—so look at the intent of the question and provide the most honest answer that you can.

The **output** from your assessment will be a series of statements designed to steer you towards improvement. To make you think about possible changes to make it easier for people to do business with you.

Setting up a **base camp** for change is the first step. It provides the input to your gap analysis for change. And it becomes the **yardstick** for managing your journey to excellent CRM Maturity.

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Your Customer Relationship Management Maturity Assessment Results

Level	Question	Your answer	Comment
Level 1: Keeping Track	Accuracy There are no duplicates in our CRM system. Your answer: Strongly Disagree	Strongly Disagree	
	Interactions Employees record all important correspondence with customers. Your answer: Strongly Disagree	Strongly Disagree	
	Accessibility People can access and update information in the CRM system. Your answer: Agree	Agree	connection" then there is still room for improvement. Have you considered the need for disconnected access to the CRM system .
	Security Customer information is secure from corruption and theft. Your answer: Disagree	Disagree	Comment: Apart from the potential legal implications of this – there is a very real concern that your business could be wiped out by theft or malicious damage. You need to address these issues urgently.
	Integrity A simple to use system of updating and synchronising field-based information is available. Your answer: Strongly Disagree	Strongly Disagree	Comment: Don't worry about this if your data is all centrally stored. Accessing a central CRM system through any web connected device is a great way or reducing the cost of data synchronisation.

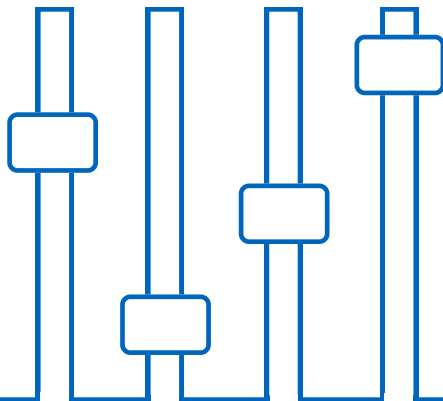
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Take the CRM Maturity Assessment

Post Script—measuring customer value

Earlier, on page 6 of this eBook, we reference the measurement of customer value. The ability to quantify opinion. So this P.S. offers a like food for thought on this subject.

One technique for quantifying opinion is to grade each attribute of customer value into quartiles—from low to high—and rank each client accordingly. This may include a measure of the relationship with the principal relationship manager or customer focus team: none, poor, average, good. It may include a measure of the strategic importance of the customer in a market or geography: none, low, high, vital. And the strength of relationships with your exec team: none, weak, strong, excellent.



A row and column array—a **grid**—can be an excellent way of **visualising** this information. The rows and columns within the grid can then be scored and **weighted** to derive an overall “value” for the customer.

And finally, this information can be blended with more **tangible** measures—spending (lifetime spend, frequency, “recentcy”); share of available spend; cost for sales support; credit rating—all of which can be delivered into the customer value “grid” using **automated** feeds from financial systems.

What gives us the authority to write this book?

Well, we've been in successful CRM for a **very long time**.

The team of sales and marketing professionals, customer service specialists, solutions architects, technology consultants and project managers at Collier Pickard has a **wealth of experience** in CRM dating back to the early 1990s.

Making CRM and business automation deliver, in bull markets and in recession, has evolved from a “black art” into a **structured science** at Collier Pickard. Our approach to CR Maturity is the culmination of a deep understanding of what works and what doesn't in CRM.

As a niche player in the CRM world, Collier Pickard is a provider of **CRM Best Practice** advice—drawn from working in a broad spectrum of markets—and bringing guidance based on what works in different industries.

Our experience in CRM spans the whole gamut of solutions from [SMEs to global](#).

Arthritis Research UK, Aviagen Group, BBC, Boosey & Hawkes, Brammer, Cambridge University Hospitals NHS Foundation Trust, Campbell Lutyens, CGGVeritas, Citibank IPB, Darley Stud Management, emap, emPSN Service, excitech, Fenchurch Communications, FC Business Intelligence, Generation Investment Management, Griffiths & Armour, International Baccalaureate Organisation, Inverclyde Council, Kesslers International, Langley Solicitors, Macdonald Hotels & Resorts, Midland Valley, Nikko Asset Management, Paris Smith, Russell-Cooke, SGH Martineau, Solar Century, Stevens Group, The College of Law, TUI, Tunstall, University of Worcester, Veale Wasbrough Vizards and many more.



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