

# FOCUSING YOUR SALES EFFORTS



WITH CRM

# Start the journey

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In this eBook we'll cover:

- How to use CRM systems to manage and motivate people
- Acquiring, developing and retaining profitable customer relationships
- How to get your team invested

But it's easy to get distracted during the research stage of a project, so if you need to cut to the chase at any point just click the Collier Pickard **symbol** to talk to our team.

Or, if you're not ready for a chat with one of our consultants, you can always connect with us on one of these networks:



Or read some more CRM articles on our blog, or just send us an email or drop us a line:



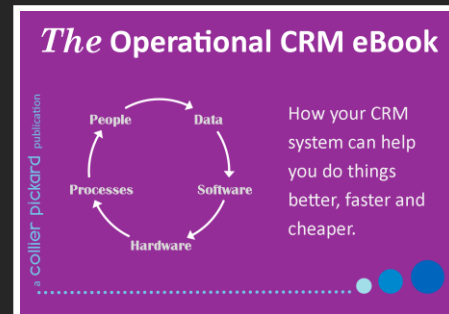
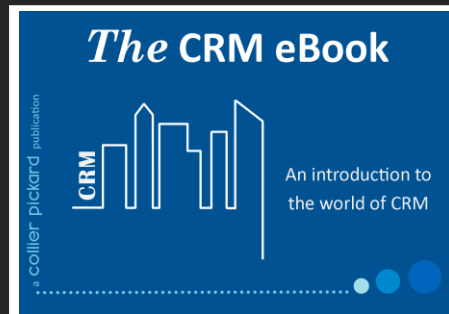
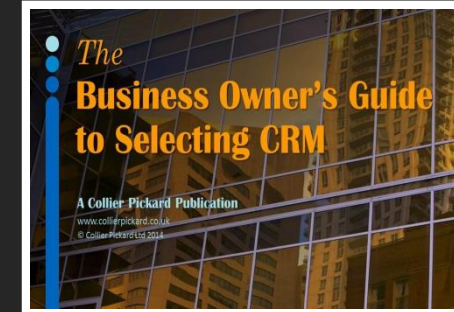
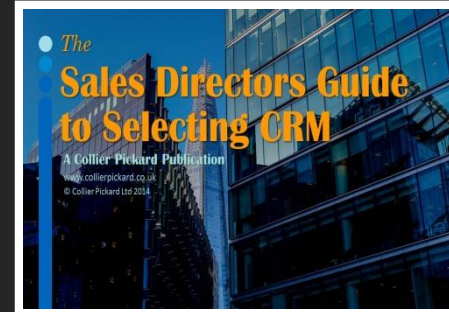
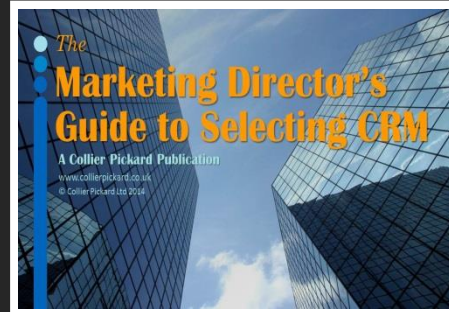
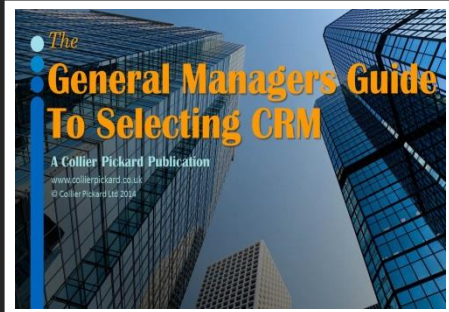
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If you'd like some handy guides to help you communicate the message about CRM and guide your team we have a range of eBooks that can help – starting with *The CRM eBook* – What Works... What Doesn't.

[Click Here For Complete Library](#)

If you have recently moved to a role managing a sales team or you looking for better ways to manage sales and salespeople, this eBook is for you. It concentrates on how to use CRM systems to manage and motivate people. It is consciously software agnostic, so does not promote any particular software.

We have included experience gained over many years of implementing CRM systems for clients around the world. In that time, we have seen CRM systems that were used and ones that weren't, systems that succeeded and some that failed, managers that “got it” and managers that didn't.

This book recognises that sales managers and sales directors sometimes need some extra help to get the best out of their available resources. Often, it is as simple as identifying and focusing their objectives, such as acquiring, retaining and developing profitable customer relationships.



The way that people buy has changed, thanks to increased choice and access to information. The chances are that your sales team has also changed: the skills that closed deals in the past such as the winning smile and the firm handshake have been overtaken by hard facts and effortless purchasing options.

Today, the challenge is to pre-empt your customers' every need and treat them as individuals whilst also getting ahead of the competition. CRM systems, with their ability to capture data and turn it into information, are essential.

*"Listening to customers must become everyone's business. With most competitors moving ever faster, the race will go to those who listen and respond more intently". - Tom Peters, Thriving on Chaos*

If you need further information on how CRM systems can help, our eBook library has the answers.

Do you sell exclusively online, face-to-face or both?

Are your customers businesses (B2B) or consumers (B2C)? What about agents, partners and resellers? Who “owns” the customer?

In the past, the business of acquiring, retaining and developing profitable customer relationships relied heavily on skilled professionals. They were the public face of your business: managing customers, finding new customers and working with existing customers to sell add-ons. As a sales manager, your challenge is no longer just managing customers: you also need to manage the sales process and all the people involved with it. Some of these people will be sales professionals, but you will increasingly rely on technical specialists, subject matter experts and agents.

CRM is a business strategy that has the power to radically transform the way you operate, shifting business focus from transactional to relationship marketing and putting customers at the centre of all business activity. For CRM to deliver, your processes must be restructured around the needs of your customers.

# What Has Changed?

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Think of your customers as an asset: managed effectively, they create value for your business over the lifetime of the relationship.

If this does not sound like your business, beware: many companies lose sales at the hands of new customer-focused organisations who revel in turning your dissatisfied customers into their delighted ones.

The transition to a customer-focused culture requires changes in working practices - the people you manage will need to be made aware of the benefits and implications. They need to know the objectives and reasons for change and must have a clear understanding of your company's strategy. They will need to understand their role in achieving this and what is expected of them. This should be communicated in such a way that it energises employees to help customers.

## Change Starts at the Top

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It is important to empower employees to take action on behalf of customers.

People make or break your relationships with your customers, not technology: actions speak louder than words, so put customers at the centre of everything you do. Identify what matters to them and continually assess how you are delivering.

Most of our successful clients have a clear view on where CRM fits. They see CRM as an alignment between software and process to effectively manage their customer relationships. The CRM system provides them with the information they need to assess whether or not they are meeting their customers' needs.





CRM systems provide managers with the information they need: the old cliché, “if you cannot measure it, then you cannot manage it”, is a truth of modern management. Armed with accurate information, you can develop processes that ensure customer centricity is consistent.

As a new leader or someone looking to change how an organisation sells in the future, here are some facts that will show you why to change now. Growth Strategies International (GSI) performed a statistical analysis of customer satisfaction data, using over 20,000 customer surveys conducted in 40 countries by Infoquest. The conclusions of the study were:

- A **Totally Satisfied Customer** contributes **2.6 times as much revenue** to a company as a Somewhat Satisfied Customer.
- A **Totally Satisfied Customer** contributes **17 times as much revenue** as a Somewhat Dissatisfied Customer.
- A **Totally Dissatisfied Customer decreases revenue** at a rate equal to 1.8 times what a Totally Satisfied Customer contributes to a business.
- **Reducing customer defection** (by as little as 5%) will result in an **increase in profits by 25% to 85%** depending on the industry.

In a recent study, over 80% of the CEOs surveyed said their company had sales processes that were poorly defined or were not being followed.

A sales process is like a good map or satnav: used properly, it helps you determine where you are and if you are heading in the right direction.

A well-defined sales process gives you an advantage: it should have logical and defined steps that allow both parties to develop a better understanding of each other and a set of questions that help you qualify an opportunity. A virtual industry has grown up around designing sales processes. Which of the following do you recognise?

- **SPIN**
- **Selling to VITO**
- **Miller Heiman Strategic Selling**
- **Miller Heiman LAMP**

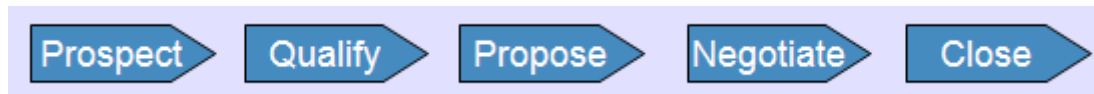
Whichever you use, or even if you have your own, the key is that the data is recorded once in the CRM system and used correctly.

# Building on Basic Sales Processes with CRM

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The most effective CRM systems are those that build upon a defined sales process using effective and consistent methods. A basic sales process can be defined as the stages through which opportunities must pass to reach a successful outcome, typically as follows:



The difficult part is effective execution through each stage of this process to significantly increase sales performance. This usually requires consistent and effective methods, disciplines and language to perform at its best.

Combine these methods with a CRM system and you have a powerful way of improving performance. Securing business in complex customer environments will always require personal skills and flair, but supporting this with an effective method reduces the risks involved. The key is to adopt uncomplicated practices that the whole organization can embrace.



CRM can drive change across your business, delivering cost reductions and efficiency, offering service improvements and effectiveness gains and delivering strategic benefits.

## Efficiency Benefits

The implementation of CRM solutions enables potential savings through more efficient use of resources, for example:

- Reduction in time taken to locate customer information
- Reduction in time taken to store or access information provided by other users
- More time on customer facing activities and more productive staff time
- Reduced time taken in preparation of reports and target lists for marketing

The increase in productive time results from reduced errors due to consistent information and data capture, increased speed of access of information and more effective post-sale call handling.

# Why You Should Measure Change?

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What should you measure?

## CRM system benefits

**Facilitation of back office integration – improving processes and resources efficiency**

## Metrics

- Reduction in overhead transaction costs
- Reduction in time taken to check credit ratings
- Improvement in number of bids progressed where the client is within their credit limit
- Reduction in number of bids rejected for exceeding client credit limit
- Reduction in average number of debtor days

**Improved resource planning and scheduling based on accurate sales forecasting data collected over time**

- Improved utilisation of assets
- Reduction in assets under utilised
- Reduction in asset relocation costs
- Reduction in time to commence projects, as resources are allocated earlier in the sales process
- Improved ROI on assets
- Reductions in “last minute” costs associated with bid presentation
- Reduction in number of opportunities where you are competing with yourself

# Why You Should Measure Change?

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CRM system benefits	Metrics
<b>Customer facing staff capable of delivering a wider range of services – reducing handoffs and multiple staff interventions</b>	<ul style="list-style-type: none"><li>• Increased number of proposals that staff can deliver autonomously</li><li>• Reduction in cost associated with bid authorisation process</li><li>• Reduction in number of staff required to provide coverage within accounts</li><li>• Reduction in sales travelling costs</li><li>• Increase in number of products discussed in client meetings</li><li>• Increase in average number of products or services that organisations buy</li><li>• Increase in percentage of direct bids won</li></ul>
<b>Increased efficiency in the sales team – reduction in staff turnover and absenteeism</b>	<ul style="list-style-type: none"><li>• Absenteeism and turnover rates</li><li>• Staff satisfaction survey</li><li>• Reduction in average time per staff member to deliver a step within a process</li></ul>
<b>Quicker access to information and ability to work with accurate information, leading to improved responsiveness to clients.</b>	<ul style="list-style-type: none"><li>• Decrease in percentage of time spent in reformatting data</li><li>• Reduction in staff cost for administrative support operations</li><li>• Comparative analysis of CRM enabled and non CRM enables business lines</li><li>• Cost of postage and courier charges</li><li>• Number of calls back to clients to clarify information</li><li>• Removal of double entry of data – reduction in screen time increase in customer facing time</li></ul>

## Effectiveness Benefits

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CRM delivers a wide range of benefits in addition to financial savings. This is not just about doing more – it is about doing better.

As salespeople are arguably the most expensive resource, increasing their effectiveness and efficiency is critical: yet according to the Alexander Group, field sales representatives only spend 22 percent of their time selling. Time spent prospecting, building proposals based on knowledge of the prospect's requirements and selling is their most precious resource. By using a CRM platform, you can increase sales user productivity.





Another way to increase sales effectiveness and consistency is to reduce the gap between employees' performance level by instilling the practices of the top performers across the organization. Embedding a company's best practices drives higher close rates as well as shortening sales cycles and learning time for new sales professionals.

What about forecasting? Potential sales are often incorrectly forecasted as historical data alone is insufficient. The most reliable forecasting process incorporates field assessments, real-time pipeline assessment and standardised forecast weightings. By comparing what has changed in the forecast week to week, you can focus on trouble spots, get to the point quickly and filter out blue-sky projections.



# What Should You Measure?

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CRM system benefits	Metrics
<b>Ability to utilise emerging technologies to communicate with clients</b>	<ul style="list-style-type: none"><li>• Increase in volume of direct emails to clients</li><li>• Reduction in volume of “bounce backs”</li><li>• Increase in number of subscribers to newsletters</li><li>• Increase web traffic from existing contacts</li><li>• Reduction in opt outs from mailing campaigns</li><li>• Improved attendance at events – expressed in quality and quantity</li></ul>
<b>Improved presence within clients</b>	<ul style="list-style-type: none"><li>• Number of organisations with all contacts “touched” in the last X days</li><li>• Increase number of C level meetings</li><li>• Increased number of C level peer meetings</li></ul>
<b>Increased sales to existing accounts</b>	<ul style="list-style-type: none"><li>• Increase in number of companies who have bought more than 1 product or service</li><li>• Increase in value of “add on” sales made post acceptance of a bid</li><li>• Increase in value of projects to existing accounts</li><li>• Increase in number of accounts who have purchased in the last year, and who have an current opportunity</li></ul>
<b>Increased customer acceptance of complete product and service portfolio</b>	<ul style="list-style-type: none"><li>• Increase in client requests for integrated proposals</li><li>• Decrease in number of calls from 3<sup>rd</sup> parties for assistance based on a previous client project</li><li>• Increase in number of “preferred supplier” contracts with parent companies</li></ul>

# What Should You Measure?

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CRM system benefits	Metrics
<b>Reduction in cost of sale</b>	<ul style="list-style-type: none"><li>• Improved bid win percentage</li><li>• Increased number of direct awards</li><li>• Reduction in percentage value of tendered bids won compared with direct bid wins</li><li>• Increase in number of sales leads generated during a sales campaign</li><li>• Increased number of referrals</li><li>• Reduced number of No Bid decisions – based on poor client fit – following bid preparation</li><li>• Improved order to invoice ratios</li><li>• Increased Invoice to order differentials</li><li>• Increase number of customer self-serve orders</li></ul>
<b>Structured sales processes</b>	<ul style="list-style-type: none"><li>• Improved win ratios</li><li>• Reduction in average sale lead to close</li><li>• Increase in percentage of sales people achieving target</li><li>• Reduction in time taken for new sales person to achieve target</li><li>• Improved forecast accuracy</li><li>• Reduction in time taken to present 1 sales forecast item</li></ul>

## Using CRM to Help Build Customer Loyalty

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It is far less expensive to retain and grow existing customers than it is to acquire new ones, so increasing the effectiveness of your loyalty program makes good sense. It is a key way to increase customer affinity, share of spend and improve overall profitability.

Unfortunately, loyalty program effectiveness can be hindered by fragmented data, siloed point solutions and inflexible, costly legacy systems. This makes it difficult to gain an accurate view of customers and their behaviours, release different incentives and rewards quickly and ensure a superior customer experience.



# Using CRM to Help Build Customer Loyalty

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Features in the CRM platform should include managing contact opt-in and communications, personalised loyalty communications and incorporating partner awards as well as managing partner transactions.

The CRM system's analytic capabilities should deliver extensive information on each client including tier status and value, transaction history, loyalty assets and eligible subscriptions. This information is presented alongside sales and service transactions as well as marketing preferences. Contacts themselves should be able to gain seamless access to their information.

Loyalty schemes should be part of a strategic business plan that drives revenue by maximizing brand value and enables organisations to gain customer insight.

# Using CRM to Drive Marketing Results

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Marketing is often thought of as being more art than science, but this is not necessarily true. Sophisticated analytics within the CRM platform make it possible to track response to marketing campaigns down to the individual customer. This can potentially revolutionise a company's approach to marketing.

A good sales process builds a 360-degree view of the customer. Marketing automation tools embedded within the CRM platform can help you match campaigns to the characteristics of the prospect.

Effective marketing is no longer a matter of throwing mud against a wall to see what sticks. Messages and offers can be customized to address specific issues within an industry, a company, or even an individual prospect. Results can then be tracked to yield immediate insight on which tactics work best.



# Using CRM to Drive Marketing Results

*Click here for help! →*



All of this is integrated into the sales lifecycle. Warm leads are funnelled to the sales users who are best equipped to handle them. Responses can even be incorporated into the priorities assigned to those leads, so that an engaged prospect is assigned a higher place in the queue than a casual one.

Real-time tracking is an essential element of this process. Sales managers know that time is of the essence when responding to a prospect's interest. Marketers and sales managers should both have current statistics on active programs as well as analytical tools to delve into past campaigns.

When integrated with lead tracking, marketing analytics can yield powerful ROI analysis for use in budgeting and campaign planning.

## Using CRM to retain Customers

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Companies are seeking ways of reducing the cost of providing service to their customers – an answer to which is the use of online customer-facing applications. According to Forrester Research, while average call centre costs are \$5.50 per call, the average cost per Web self-service transaction is just \$0.10. Many customers prefer self-service channels because of the efficiency they provide.

Have you thought about extending your CRM deployment to the Web with a single multi-channel solution for delivering superior customer service? Such a system should be integrated with other service channels and enable customers to seamlessly transition between them - for example, from the Web to an online chat session to a phone conversation with a customer service representative.

Every CRM system worth its salt will give you access to up to the minute information on customers, prospects, deals and issues. Ideally this information will be presented in the form of a dashboard.

## What is a dashboard?

Consider the most experienced dashboard designers - those from the motoring world. Generally, their dashboards offer 3 types of indicator:

- *The Warning* – tells you something that you need to action now, such as closing a door.
- *The Informational* – tells you something to help you do something else, such as a speedometer which you check to moderate your speed or a rev counter which you check to decide if it's time to change gear.
- *The Reporter* – gives you all of the information you need in an easy to read format. For example, the fuel gauge that tells you how much fuel you have left.



Now, let's apply these to modern CRM systems:

- *Warnings* – Overdue opportunities, overdue customer service cases, outstanding tasks: all of these could be represented by red flashing lights. Make sure these shout and scream - you don't want to have to plough through a long list of figures to find the important ones.
- *Information* – Progress towards a sales target for each sales person or team. Does your team have too many opportunities to keep on top of them all? If you see a wide variance, this may show opportunities that have not been updated recently.
- *Reporter* – This is the table of information that you rely on to guide the business, such as the top 10 opportunities scheduled to close this month, showing the client and the sales person and the date they last interacted.

Behind those dashboards lies a wealth of data. A first step might be to look at some **cosmetic KPIs** – these are concerned with the operation of the CRM system itself. They will help you ensure that the system is being used and that the data quality is fit for purpose.

- *Warnings* – Users who have not logged in for 5 days, remote users who have not synchronised with the main database for 5 days and users whose number of appointments scheduled in the next 30 days is 0!
- *Information* – The number of entries added by each user in the last week, the number of records edited by each user in the last week, the average number of days a customer service case or opportunity is open by a user and the number of inbound calls per telesales person.
- *Reporter* – Entries added without all of the relevant data completed, calls completed where there is no follow-up activity scheduled, revenue split by product group or salesperson and key accounts not contacted in the last 10 days.

Cosmetic KPIs are a demonstration that you are leading by example. They demonstrate to the users and the rest of the management team that you are using the CRM system.

## Where now?

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If you want to keep abreast of CRM developments then we're here to help.

So if you'd like more **information** on CRM, here are a few more resources we've created to help you:



eBooks



Videos

Or if you'd like to talk to one of our consultants about your CRM project you can arrange a free, online consultation here:



Consultation

Or if you'd like to sit back and let the information come to you for a while before you make any big decisions, you can connect with us on these social networks...



Or subscribe to our blog. That way you'll receive a steady stream of CRM information that you can dip into as your time and interest allows!



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All that remains to be said is good luck with your CRM project!

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