THE 7 STEPS TO A SUCCESSFUL CRM IMPLEMENTATION

DEPLOYING CRM IN THE NEW ERA OF CONNECTED CUSTOMERS
81% of consumers surveyed are **willing to pay more** for a superior customer experience. With nearly half (44%) willing to pay a premium of more than 5%.
The way customers interact with your business has changed. The popularity of social media and mobile gives you the opportunity to interact with customers more frequently and more importantly, more effectively, personalizing and contextualizing the messages you deliver to them. However, in order to do so, you need the right systems and processes in place.

Traditional CRM focused on delivering operational efficiencies and capturing customer data, generally across what are now becoming legacy channels. Whilst operational CRM remains significant, today the focus has changed. It’s now about generating revenue by better serving and supporting customers on their journey, from acquisition to advocacy. As a result, organizations are exploring new, next generation, omni-channel CRM solutions that support them to innovate and differentiate for customers where it matters most.

EXECUTIVE SUMMARY
All IT projects need a valid business case, executive sponsorship, and clear objectives. But, when deploying a next-generation CRM system, there are a number of other key steps that, if not met, can easily derail projects. In this briefing we outline what those steps are and, based on our extensive experience, the requirements for a successful next-generation CRM deployment.

The 7 steps to a successful CRM implementation
1. Strategy first
2. Understand the art of the possible
3. Create a prioritized road map
4. Develop a single view of the customer
5. Build agility
6. Actively manage change
7. Vigorously manage benefits realization

70% of social media users hear of others’ experiences with brands at least once a month
1/ STRATEGY FIRST

Before even starting to think about potential solutions, it is essential to have a clear vision of how your company will interact with its customers across their complete lifecycle - from acquisition, through sales to after-sales service. In the past, components of CRM were often put in place for different functions - marketing, sales force automation or the contact center for example. However, delivering a truly seamless customer experience requires integrated support across all aspects of marketing, sales, and customer service.

Mapping your customer journeys is an important aspect of this step:

- How do customers typically interact with you?
- What is the best way to gain interest and then move prospects down the sales funnel?
- Where does a sales transaction start and how does it finish?
- What happens to the customer post-sale?
- What are the opportunities to continue communication, build loyalty, and start the cycle all over again?

The journey will, of course, differ depending on the industry you are in. A retail customer will almost certainly take a completely different route from an insurance or utility customer. And B2C interactions will very likely be different to B2B journeys.

Another extremely important question to ask yourself is which channels you will use and how they will support each other? Again, this will be different across industries. Retailers are almost certain to have web stores, whereas companies manufacturing industrial equipment for the building industry are unlikely to sell their main products that way. However, there is no reason why they can’t sell parts and accessories, or provide vital servicing and maintenance advice through a web store.

At the strategy stage, the key to success is a clear vision of the processes a customer undertakes. Identify the channels they will use and importantly your interaction points with them.

“Sales and customer service are the top departments for software strategy and investment in 2014.”

Source: Forrsights Software Survey, Q4, 2013 (from Navigate the future of CRM, Forrester) N.B. Marketing came fourth, after finance
2/ UNDERSTAND THE ART OF THE POSSIBLE

Technology is a disruptive factor that can provide massive differentiation between competing companies. You only have to look at the advances in mobile, big data, social media, and analytics over the last few years and the major impact that has had on the way customers interact with companies. Showrooming (comparing prices online whilst in store) in retail, real-time delivery updates in logistics, information and product comparison in B2B are just three examples. It is important that you do not restrict your thinking about the way technology can be used.

At the same time, vendors are constantly expanding their CRM offerings to include new functions.

So it’s important to carefully think through how these new innovations can be applied to your business.

- Would cloud computing enable you to add key functionality faster and get ahead of your competitors?
- How could mobile apps help you – either by providing them to customers or your employees?
- What about big data and analytics, in particular predictive solutions?
- Could they help you get a better understanding of your customers and their likely behavior?
- How can you make use of social media, either by understanding customer sentiment better or using it to gain opinions about new products and services?

Then there is the Internet of Things, in which objects are capable of interacting with other objects and humans. For example, a vending machine connected to the Internet can signal it needs replenishing. Remote assets can supply data that flags when there is the likelihood of a fault occurring. How could examples like these help your business and your relationships with customers?

And, because technology is moving so fast, it is difficult for individual companies to keep up, which is why many businesses consider working with a trusted partner that is at the forefront of these technologies to help them better understand the art of the possible.

“55% of US online adults will abandon online purchases if they can’t find a quick answer; 77% say that valuing their time is the most important thing a company can do to provide them with a good online experience.”

Once you have a clear strategy and understanding of the potential of technology, you can start to draw up a roadmap of how you will achieve your vision.

The first stage is to identify the business practices that need to be changed across the customer lifecycle. The key factors here are to recognize how marketing, indirect sales, direct sales, and service processes and information need to integrate in order to provide a seamless customer experience and establish the anticipated benefits that will be gained.

At this stage, benchmarking against best practices can be extremely useful. How are other companies in your industry performing? Analyst reports can be very helpful here, as well as partners that have in-depth experience in the field of CRM.

Then the capabilities of your existing CRM system need to be assessed. Be ruthless here. Your CRM system may have been the perfect fit when it was purchased, but there is no sense in being sentimental about it now. To achieve your vision you need to be absolutely clear of the shortcomings.

Once you have a clear understanding of the gap in supporting new strategic practices, you can prioritize how you will make the changes based on where the most benefits will be gained.

At the same time remember that no matter how good you are at planning, a big bang approach to implementing a new CRM solution can lead to chaos, overspend, unhappy stakeholders and bad reputation. Following an iterative approach allows you to quickly gain returns on your investments and encourages user adoption.

As you go through this stage, remember that the aim of your new CRM initiative is to change business practices. Once you understand the process and information changes required, you can start to select the technologies that will be needed to support them and how they will be delivered.
4/ DEVELOP A SINGLE VIEW OF THE CUSTOMER

Many first generation systems did not deliver the anticipated benefits due to increased data silos and lack of integration. Sales did not have access to service data and, as a result, had no idea if there were problems in that area when discussing opportunities. Marketing would overlap with sales by sending promotions and offers to customers that were already in the buying cycle. The result was that customers experienced a disjointed approach.

Today’s connected customers expect you to know who they are and interact with them personally. At each interaction point, big data and analytics provide vast opportunities to not only do that, but also anticipate customer buying behavior. The caveat is that you need a single view of all current and historical data across the complete customer lifecycle, which is easier said than done.

Developing a 360° view of customers not only requires a robust data management platform, it also demands clear master data management and governance practices. These should specify not only how data will be acquired initially and on an ongoing basis. How it is migrated, cleaned, normalized, and partitioned, but also who is responsible for each segment of data. In our experience, effective data management is absolutely crucial to a successful CRM deployment.

“Through 2017, CRM leaders who avoid MDM [Master Data Management] will derive erroneous results that annoy customers, resulting in a 25% reduction in potential revenue gains.”

Source: MDM is Critical to CRM Optimization, Bill O’Kane and Kimberley Collins, Gartner, 7 February 2014
Traditional CRM solutions were built around business functions, which not only led to disjointed processes but also burdened IT with complex service, data management and data maintenance issues. As a result, it was difficult to respond rapidly to new business demands.

Refreshing your CRM environment is the perfect opportunity to change this. Today cloud solutions can help you accelerate the delivery of new functionality, reduce administration, and lower costs, either with standalone applications or by integrating cloud functionality with existing systems in a hybrid solution.

At the same time, agile development methods allow new business demands and opportunities to be addressed rapidly. Methodologies exist that allow you to create an environment that brings together the collective knowledge of stakeholders, end-users and multidisciplinary design teams.

Creating such an environment will allow you to collaboratively develop new ideas and, through agile delivery techniques, go from concept to delivery in days rather than weeks, enabling you to respond rapidly to new business requirements and continually improve the customer experience.

And remember that implementing a CRM solution is not a one-off activity. Your system will need to change in the future to adapt to new business requirements. So, make sure you select a solution that is easy to configure and enhance after the initial implementation.

“50% of firms now support SaaS adoption overall, with adopters using more than four SaaS applications on average – and this number is growing.”

Source: Forrsights Software Survey, Q4, 2013 (from Navigate the future of CRM, Forrester)
In a recent survey, Forrester found that 23% of respondents struggled with gaining user acceptance of new technologies. Yet employees are the lynchpin if your CRM deployment is to be successful.

The key to successful user adoption is communication. If users can see that the new implementation will make their working experience and deliver better results they will happily embrace change.

How can you achieve this? Firstly, ensure the business and not just IT lead next-generation CRM initiatives. They are in the best position to judge what is needed and allowing them to influence application functionality and enhancements will not only help to gain buy-in, it will result in a more effective system.

Secondly, plan carefully. Communicate the benefits of moving to the new system well in advance and then reinforce them after implementation. Use quick wins to gain support and harness continuous improvement to keep interest high.

Thirdly, make use of technologies that people are familiar with. Most employees these days are adept at using social media applications like Facebook and Twitter. If your CRM system uses the same type of features and interfaces, adoption will be much easier.

Finally, measure change management effectiveness and adapt your deployment strategies based on the feedback. And don’t forget to recognize and reward changed behaviour in order to reinforce it.
7/ VIGOROUSLY MANAGE BENEFITS REALIZATION

The final step in a successful CRM implementation is arguably the most important – ensuring you achieve the benefits you expected. Achieving this actually starts during step one. Ensuring that your strategy is defined by specific, measurable business outcomes will provide a basis for testing how new technology helps deliver your strategy and create value for your organization. A robust benefit management framework provides a mechanism for quantifying and prioritising CRM based improvement initiatives.

This forms the foundation for a solid customer relationship focused case that articulates the outcomes that are expected at each stage of the project and aligns them with the costs, scope, and level of effort required. It also forms the critical link between your CRM project and your people by identifying what needs to be in place (in both technology and non-technology terms) to realize the identified benefits. This enables you to put specific plans in place to realize the benefits and embed accountability for delivery within the business.

At the same time metrics need to be defined to keep the project on track. As the project progresses these can then be measured, enabling objectives, priorities, resources, and schedules to be adapted to deliver the required results. This means your investment is focused on those elements that will drive the most value and that project decisions are evidence based.

Adopting a rigorous approach to benefits realization both helps ensure the anticipated outcomes are achieved and, just as importantly, demonstrates the success of the project to everyone involved.

“52% of respondents misunderstood the level of effort required for their CRM initiative.”

Source: Forrester/CustomerThink June 2013 Future Of CRM Online Survey
SUMMARY

CRM in the digital age is different. Instead of the operational efficiency focus of traditional implementations, it is concerned with delivering exceptional customer experiences across the customer lifecycle from acquisition to customer service and beyond.

Organizations that get this right will not only drive greater revenue, they will also create more loyal customers that are advocates for their products and brand. Following these seven steps will help you deliver sustained CRM success, as well as allow you to reduce the complexity of your IT.

At HCL our experts are continuously working with organizations to deliver next-generation CRM projects that take advantage of the latest technologies.

We would be delighted to discuss how we can help you.

To get in touch please contact HCL at:

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ABOUT HCL

With revenues of $6.5 billion, employing 100,000 technology experts and operating in 31 countries worldwide, HCL is a leading global technology services provider. HCL helps its clients transform their business and IT assets, deliver complex Digital Systems Integration programs and operate their application and infrastructure estates.

HCL's Digital Systems Integration business works with its clients to drive business outcomes through large IT program delivery. HCL employ 15,000 systems integration experts and are established partners with leading enterprise application providers—SAP, Oracle and Microsoft.

Our propositions include:

- Global deployment
- Instance consolidation
- Fundamental cost reduction
- Target operating model transformation
- Benefits delivery
- Large program management
- Applications development
- Design, build and run services

TRUE GLOBAL DELIVERY

HCL operates as a single global organization, allowing us to deploy consulting teams that leverage proven industry and solution best practices from our offices and delivery centres around the world.