



## CUSTOMER RELATIONSHIP MANAGEMENT STRATEGY

The right approach and strategy opens up a world of opportunity.

Many organizations implement customer relationship management (CRM) but fail to realize any meaningful benefit — usually because they approach it as a technology initiative rather than a business strategy. With a holistic approach that centers on processes and change, West Monroe Partners can help you set the right strategic foundation for CRM success.

- ◆ Are your customer service representatives and salespeople consumed by complex, time-consuming data entry requirements?
- ◆ Can you track customer touch points or customer service issues effectively?
- ◆ Do you have disparate systems that capture and track information about customers, preventing a clear, 360-degree view of your relationships?
- ◆ Have you tried to implement a CRM system or approach and failed?

### Avoiding the CRM pitfalls.

Many organizations, seeking a leg up in competitive markets, pursue CRM strategies to “get closer” to their customers. But according to The Gartner Group, some 55 percent of CRM initiatives fail to deliver any measurable benefit. The reasons are many, but most often the organization:

- ◆ Attempted to implement CRM before defining its customer strategy.
- ◆ Viewed CRM solely as a technology issue rather than a business process issue that is supported by technology and tools.
- ◆ Underestimated the importance of change management and the impact of the CRM strategy on its people.

When approached correctly, CRM can produce substantial benefits: greater productivity, profitability, revenue, and customer satisfaction. The right perspective and strategic foundation is critical.

### Know your customer.

Simply put, customer relationship management is a new name for an old concept: knowing your customer. While many view CRM as a technology solution, it is not. It is a way of doing business centered on the principles of understanding customers and building profitable relationships.

If you are looking to strengthen customer relationships and market your organization more effectively, take a look at West Monroe Partners. We specialize in optimizing the business processes and systems that drive performance. Our holistic approach to CRM — which addresses your needs through the equally important lenses of people, process, strategy, and technology — recognizes that one size does not fit all and focuses on building a strategy that works for your environment.

### CRM from the top down.

Many organizations approach CRM with a bottom-up mentality, focusing on the technology rather than how people and culture are aligned with the respective systems. This approach doesn't address cultural issues and change management requirements, nor does it provide the level of active, executive sponsorship required to make CRM, or any substantial change in customer strategy, successful.

### oursolutions





West Monroe Partners can help you apply a top-down approach that aligns CRM processes with business goals. Our approach begins with developing a thorough, well-defined CRM strategy that defines the business model your organization will use to market, sell, and service customers. This strategy then provides the basis for subsequent technology and implementation decisions. It incorporates these and other best practices:

- ◆ Recognizing that CRM is a journey, not a destination. Achieving success one component at a time engenders greater support and effectiveness over time.
- ◆ Putting effective communication at the heart of a well-run CRM program. Effective communication increases commitment for the program.
- ◆ Ensuring that CRM follows, not leads, your customer strategy.
- ◆ Setting realistic expectations. The full benefit of a CRM program comes only when the entire organization is trained and competent with the new marketing and sales paradigm.

### A solid, strategic foundation for CRM.

Our approach builds CRM strategy through an iterative approach. Key steps include:

#### *Requirements analysis*

This analysis typically covers the business landscape surrounding your initiative, including industry trends, key players, regulatory conditions, and value drivers. We:

- ◆ Define your value proposition.
- ◆ Identify CRM-specific and broader strategies.
- ◆ Determine key metrics.
- ◆ Document current performance measures.
- ◆ List current risks and constraints.

#### *Opportunity assessment*

This step determines the goals for CRM implementation. We benchmark current metrics against industry standards and consider key competitors and internal goals. We:

- ◆ Define the value of CRM.
- ◆ Analyze all relevant processes.
- ◆ Define assumptions.
- ◆ Outline future goals, strategies, and desired state scenarios.
- ◆ Assess benefits, constraints, and risks.

#### *Benefits/cost analysis*

This step helps determine the viability of a potential CRM implementation. We consider:

- ◆ Revenue, cost, and intangible benefits.
- ◆ Technology costs, as well as costs for in-house resources, training, consulting, ongoing support and maintenance, taxes, and depreciation.

### The right approach makes the difference.

West Monroe Partners brings the perspective, topdown approach, and necessary skills to help you create a vision and strategic foundation for CRM in your organization. Substantial experience with sales, marketing, and customer service functions. A strong balance of process and technology skills. Change management experience. And success implementing CRM programs in a wide range of organizations and industries.

Developed with the right perspective and approach, CRM can provide the foundation for customer and partner loyalty, greater efficiency, growth, profitability, and competitive advantage. That's business in the right direction.