

14.11: Step-by-step guide to implementing a CRM strategy

Step 1. Conduct a business needs analysis and develop a problem statement

A major part of determining where to begin with a CRM implementation is having a clear understanding of the business needs, and where CRM would most benefit the organisation. CRM touches on sales, marketing, customer service and support both online and offline. It's important to review the needs of each business area so that you can determine your strategy for CRM.

Ideally you should have individual goals for each department and all members within the organisation should buy in to the strategy in order to drive it successfully, from the highest rank to the lowest. Implementing successful CRM across the organisation is a process, with stakeholders making decisions collectively and sharing their views and needs. Decisions should be based on realistic budgets and resources and full calculations carried out before any kind of loyalty currency is decided upon. Remember the Smart Shopper example from Pick n Pay above, and how not carefully considering how rewards may impact on your bottom line could cause problems later on.

Step 2. Understand customer needs

CRM is about the customer. You might have identified a range of business needs, but what about the needs of the customer?

Two elements of CRM in particular, service delivery and customer support, are actually all about meeting the needs of the customer. And what's the best way of determining customer needs? By asking them, of course. There are various ways to find out what customers want, but in all of them, it is important to listen. Use online monitoring tools and insights from social media to gather a more rounded view of what your customers think, feel and want. Look at past behaviour, churn rates, and successes. It may be worth doing a detailed data mining exercise to understand which of your customers is the most valuable and why.

Step 3. Set objectives and measurements of success

CRM is a long-term commitment and you need to consider a long-term approach. Depending on the business needs, you may decide to focus on communications objectives, sales objectives, business objectives, or all three. Objectives and success measures could include:

- Increasing customer numbers: Sales objective/business objective
- Increasing profitability per customer: Business objective
- Increasing market share: Sales objectives
- Improving responses to campaigns: Communication objective
- Raising customer satisfaction: Business objective
- Improving end-to-end integration of the sales process cycle: Communication objective.

The metrics you select for measurement will depend on these objectives. There are numerous metrics that you can choose from when measuring your performance, and the actual metrics you choose are generally referred to as your key performance indicators (KPIs).

Note

Read more about this in the [Data Analytics](#) chapter.

Step 4. Develop your CRM strategy, and determine how you will implement it

Once you've identified all of the objectives of your CRM implementation, you will need to determine how you are actually going to roll it out. What channels will you use? What touchpoints will you leverage? What data will you need for this?

Next, you need to determine which tools you will use to gather this data and how you will implement your initiatives across these channels. Don't forget that you need to communicate with your internal stakeholders before you launch the initiative to your external ones.

You will need to make choices based on what is available to you, or what you intend to embrace. The digital space offers a range of innovative spaces for CRM delivery; you simply need to get creative in your execution.

Step 5. Choose the right tools

There are lots of excellent CRM tools available, but these are useless without a clear CRM strategy in place. You can only select your tools once you know what your objectives are, what touchpoints and channels you are going to utilise, and what data you need to collect and analyse.

CRM systems that gather information on customer preferences and needs, as well as information on competitors, and in the industry in general, let organisations focus on providing customer solutions instead of simply pushing products.

We've outlined a host of options in the [Tools of the trade](#) section on the next page.

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