

Why do I want to have a CRM system?

“Because I think it will make me more money...”

Print is a competitive industry anyway, but in a recession you need to make the information you have work harder. Remember, it costs you 6x more to convert a new prospect to a customer than it does to sell more to someone you already know. This means you need better information...

First things first, let's address the common issues that have led you to believe you need a CRM system:

- You have spent a fortune on account handlers or field salespeople, but they're not selling, and they are much more expensive than CRM and costly to get rid of.
- You feel you could make more money by streamlining processes – you want technology to allow you to cut staff.
- Staff can't easily get at information: You don't know who has said what & when to customers and prospects – or worse, you can't easily see what quotes or documents have been sent to them. Better information *must* mean more sales !
- Sales staff don't have all the information they need to do their jobs properly so they can (and do) make excuses.
- You can't track staff activity against any kind of performance indicators.
- If you work from more than one site (and most businesses do nowadays, even if it's from home) you may have data spread all over the place. You can't get a single view of the data across your whole organisation.
- You can't easily outline your best customers and what they buy, so you can't recognise what traits to look for in new prospects.
- You can't target specific groups of customers and prospects and send targeted marketing campaigns to them.
- You know there has to be valuable information locked up in your bits of paper, old accounts contacts etc, & you sort of feel “CRM” will help you get more sales of a better quality from this stuff.

That's a whole laundry list of reasons for why you might want a CRM system, so let's consider a simple logic exercise on the most important factor – increasing turnover...

Printers traditionally raise huge amounts of quotes. It's a buyer's favourite way of making the rep go away "quote me on..." The problem is doing something with them and the prospect or customer details that have come with the enquiry.

- Just suppose everyone knew where every quote was, with every related document, and which ones were most important or closest to being ordered so you could prioritise activity and respond immediately to prospect queries.
- Just suppose that you could track how many appointments your sales team had coming up over the next month and how they were doing against your targets.
- Just suppose you could *easily* say to your rep "hang on we have quoted them 15 times in the last year and won none of them, they are just using us to drive the price down (*or we have won 14 of them, are we too cheap*)
- Just suppose you were told automatically which key accounts were not hitting forecast and what products they were not buying.
- Just suppose from the same system you could send targeted marketing campaigns by email to them in less than five minutes.

Now pick a sensible percentage of your current £'s turnover per year that you are, gut feel, **really** sure this level of knowledge would add to your business, if you were to do nothing else than use this CRM system. Remember, this is only looking at your existing contacts - but managing them better.

Do you think you'd put say just 2% on your turnover?
Whatever you thought was sensible, now do the sum, because it's scary.

If you turnover £5m, that's £100,000 a year or £8,300 a month better off.
If you turnover £2m, and think 3% is sensible, that's £60,000 a year or £5,000 a month better off.

(Yes the £'s increase is bigger if you turnover more, but that's why your bigger competitors are doing this stuff. Point is, now because of the internet you can afford to access this technology also)

It varies according to a business specific requirements, but the sums are that monthly rental costs on a typical system to manage a £5m business would be less than a quarter of that, so after *less than a week* each month it's paid for, even if you don't add a single customer.

What else can you invest in with that sort of payback?

Some of you will "gut feel" that 4 or 5% is more realistic, especially if you turnover less and therefore are more on top of a smaller database.

Looked at another way, what is it costing you every month you do nothing?

Now putting a system in may mean doing things differently to how you do now, but it needn't mean ripping out all your existing PC's and network and starting again.

For more information [contact us](#). Next, we look at why putting in CRM might go wrong and what you can do about it....