

CRM: indispensable tool for small businesses?

Customer relationship management (CRM) is not the exclusive domain of big corporations with their team secretaries, office managers, personal assistants and account managers to organise information and processes.

As as a freelancer, business owner or sole trader, you are very unlikely to have the luxury of such help, and so it's all the more important for you to have the right CRM system in place. CRM is not just about having customer information at your fingertips; it's also about understanding where your business is now and where it is going.

PCG member Michelle Hoskin runs The Adviser Partnership, which helps financial advisers and other small businesses to implement effective CRM systems. "At the core of any CRM system is a contact management database," she says. "Clients and prospects are probably your most valuable asset, and having the ability to capture, store and use information about them effectively will almost certainly give you an edge over your competition. You would be surprised at how many small businesses have no contact database at all."

These are some of the tools that people use to store contact information:

- paper files and diaries
- general purpose email and contact management packages, such as Microsoft Outlook
- general purpose database packages, such as Microsoft Access
- word processing and spreadsheet packages, such as Microsoft Word and Excel
- personal digital assistant (PDA) software, such as various Palm and PocketPC applications
- dedicated contact management systems, such as Act!, GoldMine or Microsoft's Business Contact Manager

Whilst all of these can be effective tools to help you store and retrieve key information and reminders, the electronic options offer faster access, and some of them can integrate with other software applications, like email and word processing. Using disparate tools

without having a real system in place can create unnecessary complication, duplication and extra work, according to Michelle. "Apart from being time-consuming," she says, "it does not guarantee to deliver the result that you were hoping for. Having the right system in place, for your needs, and using it properly, will pay dividends."



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It is of little use to have a good system unless you use it to good effect as part of your daily business routines. The contact database should contain up-to-date details of:

- Every person and organisation capable of giving you business
- Everyone you know who might know someone capable of giving you business
- Every person or organisation that you want to work with or for (your "most wanted" list)
- Media contacts, if you intend to issue press releases as part of your marketing efforts

Different businesses have different needs, but these are the areas of functionality you should consider before making a decision to implement a CRM system:

- A single place to manage customer information, sales opportunities, accounts and business contacts
- Lead and sales prospect tracking, with information about revenue potential, probability of closing and expected close date so that you can monitor your business pipeline, earnings and workflow for each client and prospect

- The ability to share customer and prospect information with colleagues
- Synchronisation with PDA software so that you have access to contact information when you are out and about
- Integration with email and word processing applications so that you can create email and printed mailshots, quickly and easily
- Activity scheduling, with diary system, task lists and reminders to help ensure that you don't miss important business opportunities and deadlines again
- Activity tracking, so that you can store letters, emails, meeting records and file notes against each contact to help you with the overall management of their contact history
- The facility to import contact information from legacy systems, so that you don't have to create your contacts database from scratch

Watford-based Decor Tiles, which opened in 1976 and is still owned and managed by the original family, recently engaged Michelle's company to implement a CRM system. "The process has proved not even half as painful as I had anticipated," says Glyn Hughes, "and has delivered twice the benefits I had hoped for."

Alan Geddes of specialist consulting firm Asbestos Solutions agrees. "Having a system like this allows for fast searching of client details and lets us track our job opportunities and see important sales statistics at a glance. It works as a good marketing tool too, in that we can perform mail merges to specific client types, quickly and easily."

"You can't depend on technology to fill gaps in your sales and marketing strategy," concludes Michelle, "but a good CRM system, used properly, can help you to stay organised, make the best use of your time, optimise your business opportunities and ensure that you don't miss out because of shoddy or non-existent record keeping."

For further information, see www.theadviserpartnership.co.uk, www.frontrange.co.uk, www.act.com and www.microsoft.com/office/outlook