

Customer Relationship Management
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Customer Relationship Management (CRM) has become a mantra for corporations and marketers in recent times. It reflects an inevitable evolution in the science and practice of relating to the people who buy your products. Inevitable not only because the technology allows for it but also because customers' expectations have changed. Customers are now better informed and demand more from vendors. Traditional mass marketing approaches are becoming less effective because so many people have been inundated with mailings, commercials, print advertising, telemarketing, and such for so long that they've become dulled to its intended effect.

In addition, much more information about products and services is now available (primarily on the Internet) so customers are no longer limited to the carefully crafted messages that marketers and sales people choose to present. In many cases, customers can get the information they want whether or not a business chooses to provide it. These factors have created more challenges for organizations as they attempt to refine their interactions with customers. However, they have also created many new opportunities as the new technology can increase the effectiveness of marketing efforts.

CRM views customers over the lifetime of the relationship and seeks to build relationships with them using information gleaned from repeated contacts. The ultimate goal of CRM is to increase revenue by maintaining customer loyalty. The enterprise views the customer as a potential long-term source of profitability rather than as an isolated sale. This results in a shift from a product-centric viewpoint to a customer-centric viewpoint. In the former, the emphasis was on the product's features, and since the same product was being offered to everyone, it was only logical that the same marketing approach be used on everyone. The system was blind to the possibility that you might be better off presenting the product one way to one demographic group and another way to a different demo group. And nowhere was there any provision to build a continuous relationship with each customer, where individual needs and desires became part of the marketing effort. In the customer-centric model, the emphasis is on the customer and the best way to meet his or her needs with what you have to offer. This added customer-service dimension is used to differentiate you from your competition and helps to build the kind of relationship that results in repeat sales. In the long run this is an economically desirable solution as it costs up to ten times more to attract a new customer than it does to retain an existing one. In addition, customers are often willing to pay a premium for first-class service, so trying to keep prices lower than your competition may not be as important as it might have been without the added benefits.

Making available customer information on an enterprise-wide basis is one of the key foundations for successfully implementing a CRM program, as it is this information that becomes the customer profile. The process has been helped by technological advances that enable organizations to gather, store, and manipulate large volumes of customer-related information. This enterprise-wide access to customer information enables the different groups within the organization to see each customer in the same light and thus maintain the same focus. When implemented successfully, all the departments, divisions, and other groups within an organization can then act as a cohesive unit to serve customers' needs. Customer relationship management is truly a paradigm shift for the better in terms of effective and more customer-responsive marketing.

Unfortunately, it often doesn't work.

Large sums of time, money, and man-hours are spent implementing impressive data warehousing and data mining operations that can organize, collate, analyze, and deliver massive amounts of information to key areas within the organization. Too often, however, the whole process falls down when it comes time to reach out to the customer. This is because too many firms still rely on old communications channels utilizing tired, one-size-fits-all, approaches. What customers see is the same impersonal messages they've seen for years.

In order for customer relationship management to work, it has to be carried through seamlessly from back-end data operations all the way to the message on the piece of paper in the customer's hand or appearing on their web browser. This is where tailored communication can help. It is tailored communication that can take a CRM program to its most effective end; that is, to the point where the customer realizes that your enterprise really is interested in developing a unique relation with him or her.

Tailored communication takes the customer data you've collected and generates a unique message that speaks to that customer's preferences, goals, concerns, demographics, and so on. It produces a more relevant message than does a generic presentation. Printed or web-based messages that are tailored according to customer data enable enterprises to relate to a customer and those things that are important to him or her. Common sense and experience tells us that people are interested in themselves. By developing a message that shows your organization is also interested in them, you build a rapport that will help you acquire even more information and build the long-term relationships that will keep these customers loyal to you. And that translates into higher profitability.

The effectiveness of tailored communications has been demonstrated by MicroMass Communications, Inc. The tailored content technology developed by MicroMass has proven successful in establishing and maintaining an intimate customer dialog, one that yields impressive quantities of useful customer information. In fact, where MicroMass' technology has been employed, return on investment has gone from the industry standard

of two to three percent to ten times that amount and more. The data obtained have been accurate and detailed, and have succeeded in painting a comprehensive picture of each customer. This is important as better data means a better customer relationship. And methods that will help collect better data will help achieve a competitive advantage for those enterprises that utilize them.

MicroMass has developed the ability to tailor messages to the minutest level. The company has refined both the art and technology of tailoring to the point where each presentation appears to have been produced by a dedicated marketing specialist whose sole function is to communicate with the individual customer. And this degree of specialization can be duplicated for thousands of customers at a time, quickly and efficiently.

It is here, where your message is finally brought home to your customer, that the real value of CRM is seen. Utilizing the type of tailored communications capabilities provided by MicroMass, you complete the process that began with all the information residing in your computers, and ended with satisfied customers who feel they are truly being taken care of. And taking care of customers always translates into a better bottom line.