

Embracing the social side of CRM

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Social networking: adding another layer of complexity to CRM

From the way social networking is often reported in the media, it would seem to be that traditional customer relationship management (CRM) has had its day, and all companies need to do is to create a Twitter account and a Facebook page and engage prospects and customers through these. However, it is not quite as simple as that, and the devil - as always - is in the detail.

As with any new technology, the social network does not push away everything that has gone on before. Companies still receive paper mail, telephone calls, e-mails, web contacts and so on. All social networks do is add to that complexity. Any user of social media in a customer relations must ensure they view the total picture of any individual or group across all of these touch points.

Social media users can be your greatest asset - or your greatest enemy. A happy customer who passes the word on in the social network can rapidly extend positive brand awareness. An unhappy customer is far more likely to pass on their views, though. However, if you identify their problem rapidly and deal with it effectively, they may turn to being positive. But, without everything being integrated, it is far more likely the customer will end up even more unhappy, and the company's brand enters into a downward spiral that is difficult to halt.

It is pointless creating a position of "social media Tsar". The person will only be working in their own world, outside of the big picture. The results will be silos of information that are difficult to pull together and fully understand. Everything must be integrated.

Using social media for CRM: The wrong way and the right way

It should be remembered customers and prospects tend to work through multiple channels. They may have first contact through

the company's website; use social media to gauge the sentiment of the crowd about a specific product or brand; and then use the telephone or e-mail to finish off the deal. If all the touch points are not covered through a single system, issues will arise.

For example, a company with disjointed overall CRM may find the person responsible for social media has made an offer through the company's page on Facebook. A follower goes to the website to see about the product - but wants it in a different size or colour. They phone to find out if the item on special offer is available in the right size or colour - but the telephone agents are completely unaware of the offer, as it is not on their system. The prospect goes away unhappy - and spreads the word through leaving messages on the Facebook page, on their own page and through Twitter. The company's brand is hit, and damage is done.

But picture this done the right way. The company decides a special offer is to be made. It looks at all the different options it has available and looks at what the overall desired outcomes are. In this case, the main driver is seen as driving brand recognition - something where social networks can excel. Therefore, the business decision is that the main places for the offer will be through Facebook and Twitter - but in a manner where everything is joined up.

Web advertising, paper marketing, e-mails and so on are all created telling people that if they follow the company's Twitter account or favourite the company's Facebook page, they will gain a code that will get them the special offer. Maybe, for every friend they refer or every Twitter retweet, they will gain an extra amount towards the offer. The whole process of the offer has to be built in to the overall CRM system - the telephone agents, the e-commerce system, the inventory and logistics systems all need to be aware how the offer is going to work and what it means to them.

The end result, should everything go to plan, is a happy customer (they get a special deal) and a whole host of new prospects aware of the company's brand, due to the viral effect of the social network. In short, a low-cost means of others doing the work for you.

Integrate your customer relationship management systems

The main issue is that systems will be required that enable everything to be pulled together in a meaningful manner. For example, all mentions of a company through social network channels will need to be monitored, along with any accepted different forms of this (for example, in the social media world, Microsoft is not just Microsoft, but also Mcirosoft, MSFT, M\$ft, Micro\$oft and so on). A means of parsing the messages to figure out whether these are positive or negative will also be required. A rapid means of response to enquiries, to positive and negative comments also needs to be in place - all tied in to the other channels of interaction, so that all bases are covered.

Customers' and prospects' social accounts all need to be tied into their master customer record, and bringing all information together in a simple manner for reporting and analysis is a must. It should be possible to respond through a single interface in the manner that a prospect or customer wants, so that a Tweet gets responded to via Twitter, a Facebook comment via Facebook, an e-mail via e-mail and so on, all linked and joined up.

The big CRM players are beginning to work this out. For example, salesforce.com has launched Chatter, nominally a private social network for business-to-business (B2B) value chains, but it can be integrated with public social networks to enable monitoring, tracking and two-way interactions in a business-to-consumer (B2C) manner. Others may just support publishing to social sites; specialist companies such as Confrimit have moved from employee surveys to more freeform social interactions, including using public social networks to gain broader reach.

Offering channels for feedback can boost your brand

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Other ways of interacting with customers in a social manner go beyond just integrating into social networking sites. For example, Adobe has introduced its digital enterprise platform (ADEP) to underpin its customer experience management (CEM) strategy, replacing LiveCycle. Building on Flash and Air, ADEP is aimed at enabling a highly interactive and engaging two-way customer engagement interface, along with providing a customer feedback loop enabling feedback to be obtained to make websites more engaging and therefore more profitable.

Customer recommendation engines, such as those seen on Amazon, are also a way to engage with customers. Just as comments on Twitter and Facebook can help or hinder a brand, enabling customers to comment on their orders and to give honest feedback the purchase and the company as a whole can be beneficial. Indeed, looking at a site like secretescapes.com, there are many brickbats being thrown around based on some of the holidays on offer, but the site owners take a very positive approach to this, asking for more information and thanking people for their negative feedback, promising that it will all be taken into account as they look to identify other offers.

What should be obvious from all of this is that using social networking as part of an overall business strategy is not something that can be easily identified as a single basic approach. It has to be based on the fact that the social environment is changing on a regular and rapid basis, that the public environment (such as Facebook and Twitter) cannot be forced out by the private, but has to be embraced, and that the broad reach of social networking means that a company has less control over what is being said - but must be able to respond to ensure that their brand is protected.

Social networking is not something to be looked at as separate to existing customer interactions; it is just an incremental extra that needs to be embraced. Ensuring that everything is pulled together will help to ensure that social CRM works for the prospect, for the customer - and for the business.

About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first-hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

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