More than sales

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Introduction

Customer relationship management (CRM) software has been around since the mid-90s, but has come into its own over the last decade.

The reason for this growth has a lot to do with how consumers interact with businesses today. We can reach out to businesses on Twitter and they reply with personality.

We expect brands to know us by name in our emails. We expect them to have a record of our last phone conversation on file. We get incensed when they forget that we signed up for the monthly newsletter but not the weekly product update. For businesses that stumble in this area, it can be disastrous.

Without software designed to help stay on top of the details, business owners can run themselves ragged trying to keep up. This has firmly established CRM as a must-have for small business owners who want to improve their relationships with their prospects, clients, and other contacts.

The Harvard Business Review notes: "Consumers have always had relationships with brands, but sophisticated tools for analyzing client data are finally allowing marketing organizations to personalize and manage those relationships. With this new power comes a new challenge: People now expect companies to understand what type of relationships they want and to respond appropriately—they want firms to hold up their end of the bargain."

The long and the short of it: Those businesses that can personalize their client's experience tend to beat out the ones that don't. CRM is the essential technology for businesses to manage, organize, and segment their interactions with their contacts so that they can provide a personalized experience across the board. And yet, even though CRM is the proven tool in this arena, a study by Keap and Leadpages found that only 24 percent of small businesses use CRM. Further, our research also found that of those not using CRM, over half use Outlook (or a similar email client) to manage their contacts, which limits the functionality primarily to email and calendaring. Plus, one out of five (20.6 percent) don't track contacts at all.

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This research suggests that most small businesses don't realize the power of CRM for the modern small business. One key reason for such low adoption could be that many small business owners consider CRM to be a software tool that's designed only for large businesses with dedicated sales people.

Many small business owners don't have dedicated sales teams, and don't realize that CRM supports more than sales—it supports the whole organization by adding efficiency and increasing revenue.

In this guide you'll discover:

- How CRM improves an organization's relational intelligence and how that translates to increased revenue

- Ways that CRM benefits your organization outside the realm of direct sales

- The value of using a sophisticated software system for managing your contacts, and how it can save you time, effort, and money

Grow revenue by managing your relationships

Whether you're running a nonprofit, or you're operating for profit, you have a sales function that must be attended to. But many times, "salesperson" isn't the first title small business owners give themselves. There's a lot to your business, and sales happens to be just one of many hats you wear.

While you may not have salespeople to handle your sales function, sales is fundamental to sustaining your business, not to mention growing it over the long term. The way to get there is to provide personalized interactions. Check this out: a [Demand Metric study](#) found that 78 percent of consumers perceive a relationship between themselves and a company that uses custom content. People are getting more and more accustomed to personalized interactions with brands, which means you have to personalize to be successful.

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Personalization is key to the message you actually want to convey: That you're passionate about your product, and the people you sell to aren't just numbers. If your interactions come off as impersonal, your message is bound to fall flat (and so are your sales!). Think of all the ways you interact with your contacts: phone, email, social media, face-to-face, text, direct mail, online forms, and more. The list is long. Now multiply each interaction by hundreds or thousands of contacts, and the enormity of the issue becomes apparent.

A strong CRM offers you the ability to handle personalization on a huge scale, which means you can grow your revenue the right way.

Yes, you read that right: on average, CRM pays for itself nearly nine times over! This means a double benefit-you can grow and still maintain a personalized experience for your contacts.

Fact: Every \$1 spent on CRM = \$8.71 in revenue. Source: Nucleus Research

While it's true that CRM works for sales teams, it's designed for any organization that has a sales function (that's you, small business owner). In fact, if you don't have the resources to build out a sales team yet, CRM is a critical asset that multiplies your limited human resources by:

- Injecting efficiency into the sales process to save you time and money

- Tracking and organizing numerous client details in segmented lists so you can do targeted promotions

- Helping maintain personalized interactions with leads and clients

- Providing more targeted lead nurturing and lead scoring so that you know what leads to focus your time on

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CRM supports your marketing efforts

Marketing is a matter of survival. Without marketing, your stream of new leads dries up, putting your whole business in jeopardy. Since you have to market, you might as well do it smarter.

Our research found that many small businesses don't have dedicated marketing teams, which means the owners include the marketing machine as yet another of their many responsibilities for keeping the business afloat.

Fact: Nearly half (47 percent) of small business owners handle marketing efforts on their own.
Source: 2016 Small Business Marketing Trends Report

Your brand's message is important, and you need to get it just right. Whatever approach your organization takes to marketing, CRM can significantly lighten the load and improve your success.

CRM gives you a nearly unlimited ability to segment your contact list so that you can send the right messages and offers to the right people at the right times.

For example, by tagging prospects in your CRM, you can track those who've identified a specific pain point and send a free ebook that helps address their pain, while at the same time making a cross sale offer to your clients who have purchased a particular product.

Without CRM, many small businesses don't segment their lists. They often send general blasts, meaning that the prospects and the clients all get the same e-book or offer, even if it's not relevant. This runs the risk that the people on your list consider your efforts as impersonal noise—or even worse, as something to opt-out of.

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Then there's the story of that business that sent out the wrong message to the wrong list: They sent an email blast to prospects for a promotional discount as part of a month-end sales push. Unfortunately, they didn't have a solid handle on their contact list, and inadvertently included the list of contacts that had recently purchased at full price. How do you save face without taking a bath on those recent purchases? It was messy.

And while personalized messaging is crucial to your success, we can't overstate the value of measuring your efforts. You need to know your big hits as well as your misses in order to refine your message.

CRM can take your marketing insight to the next level through robust reports. Because CRM keeps track of the myriad details of your list, it can also help you make sense of that data. A strong CRM provides reports on interactions, preferences, campaigns, purchases, and much more. The more you understand about your interactions with your contacts, the easier it will be do develop targeted follow up campaigns, slice and dice your list into keener segments, or run split tests (also known as [A/B testing](#)) to hone in on the best messaging, to name a few.

CRM supports cross-collaboration between areas

Client-facing roles can create new opportunities for sales. But without a centralized center for your management efforts, you miss out on these opportunities. When client-facing roles use your CRM, you open up the possibility to discover new opportunities for upsells, cross-sales, and marketing for new products. This shared knowledge helps identify preferences and interests, which can be valuable for turning your clients into devoted fans.

As businesses organically grow, there's a tendency for one data set to end up with one owner while a separate owner controls a different data set. Right now your team might not be big enough to endure this problem, but think about what you could look like in five years.

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How big will your team be? Without intending to, your data could end up split up into silos. For example, marketing holds one set of contact data and sales has another set. Or your receptionists manage appointments with clients, while your social media manager handles a whole other set of contacts for social outreach. It's highly probable that these lists overlap (and probably overlap by a good margin).

When you use CRM as the standard system of record, you solve the data overlap problem. With a little forward thinking and the occasional integration, you can customize your contact records to accommodate each area's needs. When all areas share the system, your data stays up to date and ready to go.

Imagine the added value your organization could achieve if the lists were shared? How could you make a more personalized experience for your customers, clients, and other contacts through collaboration?

Pro tip: Leading CRM systems, like Infusionsoft by Keap, integrate with many help desk platforms like Zendesk and Help Scout.

5 ways automation helps you supercharge cross-sells and upsells

Running a business requires innovation and experimentation—and continually dreaming up new ways to delight your clients.

When CRM is combined with automation, the possibilities really open up

CRM was designed primarily to capture and report on large amounts of contact data to keep an organization in closer touch with its leads, clients, and other contacts. The data collected can help you understand and score each lead's interest in your products or services. The more you're able to score your leads, the better you can use targeted marketing to nurture them down the funnel to a sale.

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This is where [marketing automation software](#) comes in. It was designed to provide interactive, targeted marketing campaigns. Generally, marketing automation makes use of web forms and email marketing campaigns.

Because these two tools complement each other in many ways, they are often used in tandem. When you combine the power of CRM to handle personalization and lead scoring with the efficiency of marketing automation to deliver campaigns to targeted segments of your list, you suddenly have a robust sales and marketing machine.

But that's not all. Many small businesses use automation for processes outside of direct sales, adding efficiency and accuracy to other business functions that they hadn't initially expected to improve when they adopted CRM, such as:

- Automate collecting of W-9, 1099, or other important forms

- By using automation, simple tasks can be initiated, tracked, and marked complete so that details aren't lost in the daily fray

- If your business works with vendors, automate your requests, delivery scheduling, and other details to keep the business humming

Check out our guide, [25 things every small business should automate](#) to discover even more ways CRM and automation can add efficiency to your business.

CRM keeps your data safe

Many small businesses handle their client database themselves. There are many reasons small businesses do this, but most often it's just a matter of practicality—at least on the surface. It seems logical to organize client details on a spreadsheet, right? Spreadsheets offer a lot of great functionality, and if you're a whiz at handling them, you can run some really impressive reports.

Unfortunately, there can also be a big downside to storing your precious client data on spreadsheets: they're always one hiccup

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away from disaster. They are susceptible to data loss, whether it's an accidental deletion or hardware storage that gets lost, stolen, or damaged.

Even when you store spreadsheets on cloud-based platforms, like Google Docs or Dropbox, you still have version control issues to worry about. Whose spreadsheet is most up to date? Do you have a clear and consistent way to manage document versions that allow you to quickly repair mistakes?

With a [CRM database](), the data is safe from outside hackers and casual mistakes, such as a standalone spreadsheet full of key contacts stored on a laptop that has been left in a London taxi or the most important computer crashes right before a crucial meeting. Even if the data is recovered, the downtime can be killer. Cloud CRM mitigates these issues in a big way.

When businesses rely on spreadsheets for list segmentation, the issues compound. Manual segmentation is extremely time-consuming (read "costly"), and is prone to errors (read "very costly"). CRM, on the other hand, is designed to segment lists quickly and easily, saving you time and money.

Small business owners don't just rely on spreadsheets to manage their client data. According to our 2016 Small Business Marketing Trends Report, 42 percent of small business owners rely on Outlook or similar email client to handle contacts and email correspondence. Believe it or not, if the settings on these services are not correctly applied, [you could be flirting with disaster](). Many email clients, including Outlook, can have complex settings that, if not expertly set up, may leave you vulnerable to loss of contacts or email history.

And you'd be totally on your own if you were in a position to try to solve the problem.

CRM supports your whole business by securely storing and managing your list on secure servers so data won't disappear when you need it most. The best CRMs know that your list is crucial to your success, and guard against these dangers.

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CRM for event planning

[Events are a great marketing staple](), but they can be some of the most labor-intensive projects on your list. Most often you measure an event's success in two ways:

1. Did the attendees find value in the content?
2. Were the needs of the attendees and speakers met?

These intertwined criteria boil down to knowing a lot about the people involved in the event. The more you know, the better you can anticipate needs, and the more you can provide value. When you've hired a freelance event planner, some important details can get lost in the hectic lead-up to the event. If the event planner keeps the attendee list on her spreadsheet, for example, there's a very good chance that you may not see the latest version and miss an opportunity to reach out to certain guests.

CRM can handle every little detail you need to know about everyone involved: speakers, attendees, vendors, and volunteers. When you tie the registration process to your CRM database, you immediately have all attendee information at your fingertips.

Networking with CRM can make you more efficient: You have the ability to profile your attendees and understand their interactions with your organization before the event starts, which gives you a chance to anticipate concerns as well as prioritize meetings.

CRM can help with vendor interactions, too. Use what you know about the vendors to plan for your next event. Did your vendors provide great service? Did they require lead time that you'll need to keep in mind for next time? Keep detailed notes in your CRM and create a tagging system that prioritizes each vendor in a preferred order to streamline calls and emails.

When using marketing automation software with CRM, automatically run a follow-up survey for your attendees to get a read on your success. A simple survey can give you invaluable detail on how to prepare for next time. Tie results to individual profiles, so that you

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can anticipate specific needs should any of those people register for the next event. For example, did you consider special dietary needs with your menu? Affected participants will let you know. You can also run a separate follow-up campaign for your speakers. The data you pull can make subsequent events even bigger successes.

CRM provides manager visibility

Growth for your business should translate directly to growth for the careers of your team. Because most home-grown systems don't provide management the visibility needed to understand what their team is up to, they can't know just how successful their people are.

Help your people know that better metrics means you'll be more capable of seeing (and rewarding) their success. They're good at what they do—now you can identify just how good they really are. CRM gives management a level of insight into sales and marketing activities of your whole team (as well as any other internal tasks you've automated) that wouldn't be possible otherwise.

- CRM will enable you to set KPIs to measure progress toward goals.

- Help identify and measure key result areas (KRAs) that line up your employee's productivity with your company's larger growth plan.

- Measure individual successes so that you can create incentives and reward wins.

The more you know, the better you can manage your teams. Managers will be able to engage with staff in a more transparent way, which helps nurture and grow an employee's strengths.

Start thinking about CRM for your business

Because CRM is such a powerful addition to a small business's arsenal, maybe it's time to consider how it can work for you. Look closely at the gaps in your current system by answering the following questions:

- What are your objectives for managing your client relationships? Are you able to provide personalized interactions?

- How does your current software solution work for you? What works well? What are your frustrations?

- Have you designed your client's journey? Does your current system provide insight into where they are in that journey? Do you know the buying stage of all your leads?

- Are you confident that you know how people are interacting with your website?

- Are you sending the right marketing campaigns to the right people?

- Can you automatically track how prospects and clients respond to campaigns?

- Do you have a scoring system that tracks prospect behavior, indicating who is ready to buy now?

- Are you getting detailed metrics on how your prospects and clients interact with you? Are you able to adapt based on what you know? Is there anything you wish you knew?

- Can you quantify how much these misses are costing you in lost revenue?

If you aren't happy with any of the answers to those questions, it's time to seriously consider implementing a CRM. It will be an investment you won't regret.

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