

CRM's Critical Role in Successful Digital Transformation

Putting customers at the center of your digital efforts involves sound CRM processes

IT'S NO SURPRISE most companies struggle with their digital transformation efforts. Eighty-five percent of all digital transformation initiatives fail to deliver the expected results. Having completed many digital transformation assessments for ISM's global clients, I'm confident of this: A sound CRM strategy and implementation must be at the heart of every successful digital transformation initiative. Think of CRM as the foundation of your digital transformation success. Yet too many companies still lack this foundation.

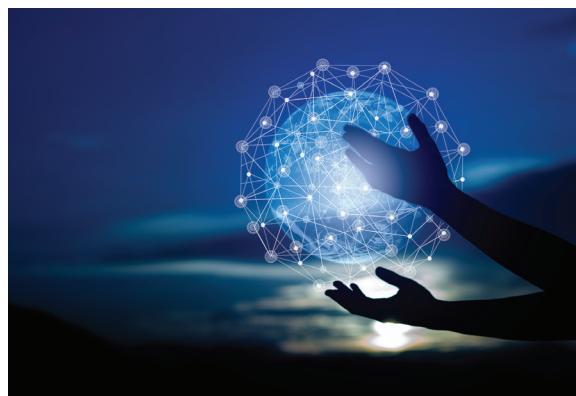
Every company wants to be successful, and most companies can succeed. But to be successful, your digital transformation initiative must put the customer at the center of your digital efforts, which involves connecting with your customers via sound CRM processes and tools. Let's dig deeper into CRM's critical role in successful digital transformation.

CRM contains the holistic digital profiles for all of your customer types. Customer types include end customers, agents, distributors, and possibly others. Your holistic customer profile should contain relevant sales, marketing, and customer service information as well as financial information, including performance year to date, customer win rates, customer lifetime value, competitive products purchased, and more. By adding both social media insight, to know what customers are saying about your company and products, as well as identity resolution tools, to help identify anonymous digital visitors, you are

now in a position to leverage your holistic customer profiles for maximum impact.

I have written extensively on how to identify what information belongs in a holistic customer profile; the business processes needed to keep your holistic customer profiles up to date; how to leverage your profiles to achieve the

"3x factor" required to secure high user adoption (that is, for every piece of data you put into a CRM system, you get back three valuable pieces of information); and why it takes six to nine months to build holistic profiles. It astounds me that many (most?) companies have not yet built sustainable, holistic customer profiles. Simply put, these companies will fail in their digital transformation efforts.



CRM contains the processes and tools to launch digital marketing campaigns. Be sure your digital marketing campaigns include these elements:

- They are "closed loop"; you should be able to see the results in sales and revenue of your marketing investment based on insights and analytics tied to sales.
- They are fully integrated with CRM for sales, so you can perform closed-loop marketing.
- They leverage your holistic customer profiles and customer journeys so you can personalize communications to each customer or customer groups.
- They automate lead scoring, distribution, and tracking.
- They include drip campaigns that are triggered by web behavior or event attendance.
- They integrate online and offline customer data via tools like identity resolution.
- They integrate to a formal social media program that produces, optimizes (e.g., SEO), monitors, and reacts to customer content.
- They include metrics and insights that are monitored and tweaked in real time.

Unfortunately, there is still too often a significant disconnect between marketing and sales. Without a closed-loop marketing process, your company cannot know which leads resulted in sales, knowledge that helps your company optimize its marketing campaigns. Simply put, integration of sales and marketing is critical for successful digital transformation.

CRM contains the processes and tools to build enterprise, group, and individual sales enablement processes

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and increase sales productivity and effectiveness, both necessary parts of achieving successful digital transformation. What good is it to drive digital leads to a sales force not ready to receive and work these leads? You want your sales reps to view sales processes and CRM tools as helpful to close new business, not as an administrative, time-consuming burden. To find out how your reps view sales processes and CRM tools, consider implementing a digital sales user survey. Carefully analyze and enhance your lead management process. Ensure you have in place a well-functioning enterprise governance structure, including a CRM steering committee that has responsibility for company-wide digital transformation. Your goal: unleash CRM sales processes and tools to enable your sales reps to be the best they can.

CRM becomes the umbrella system that fully integrates with the four other digital transformation building blocks.

- **Data and analytics:** CRM contains and/or integrates with your robust data and analytics tools to provide deep customer insight so you can personalize your communications and services.
- **Social media:** CRM works hand in glove with your

private and public social media communities to ensure you regularly receive social insight from your digital customers. Encourage healthy criticism!

- **Customer engagement:** CRM contains the customer journey mapping tools and digital survey tools or integrates with third-party tools so you can engage better with your digital customers.
- **Emerging technologies:** CRM puts into place digital triggers and other emerging technologies, like artificial intelligence, that drive next steps/next actions to not only keep your digital customers satisfied and loyal but also turn them into digital advocates.

At the heart of every successful digital transformation initiative must be a sound CRM strategy and implementation. Now is the time to raise the bar on your CRM capabilities. Are you ready? 

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