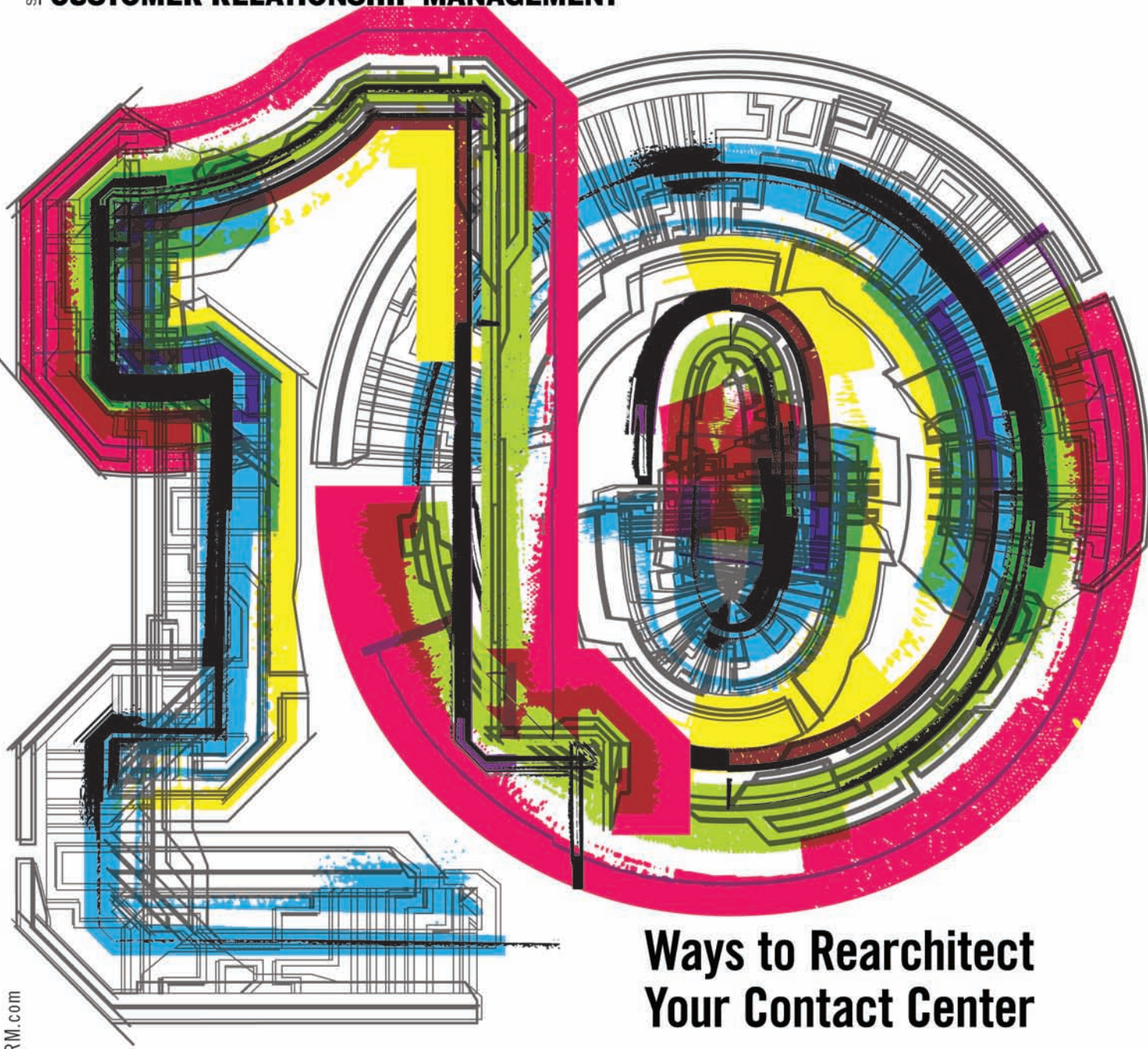


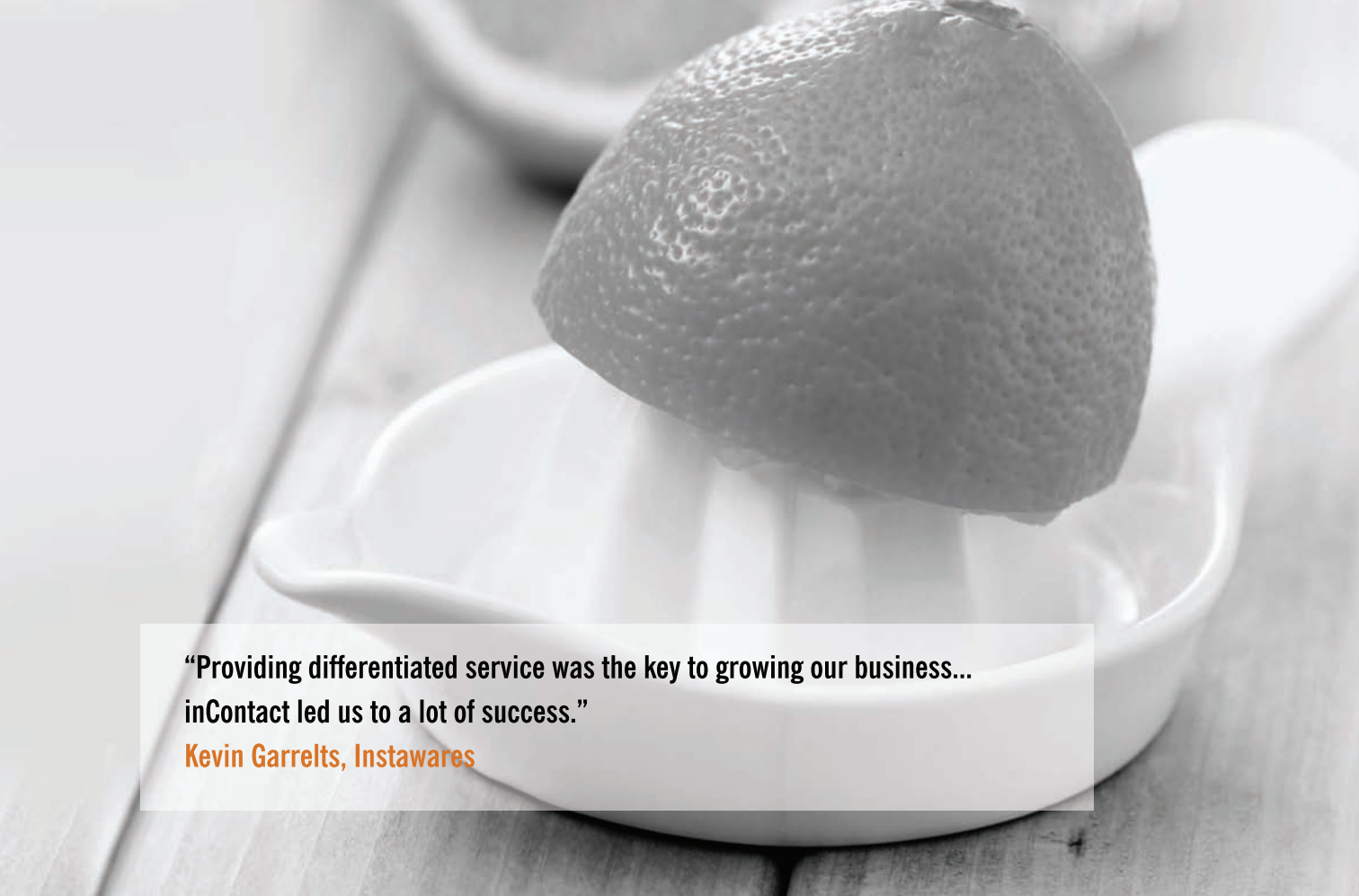
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**Ways to Rearchitect
Your Contact Center**

A close-up photograph of a whole lemon resting on a white ceramic citrus squeezer. The squeezer is placed on a light-colored wooden surface. The background is softly blurred, showing more of the wooden surface and possibly other kitchen items.

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Kevin Garrelts, Instawares

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Build Your Brand Through Exceptional Customer Experiences

BRAND REPUTATION is often determined by a customer's last experience with a company or its products. If customers have an exceptional experience, they will likely share it with their friends, family, and colleagues. The same holds true for a poor customer experience. So, it's important for organizations regularly to create positive—even exceptional—customer experiences.



ANY INTERACTION CUSTOMERS HAVE WITH YOUR COMPANY IS A REFLECTION OF YOUR BRAND.

All too often, though, when people think about building a brand, it's easy to direct the responsibility toward marketing—after all, maintaining a positive brand is a marketer's job. But should that responsibility stop with marketing? Industry experts think not. Any interaction customers have with your company is a reflection of your brand.

That would include interactions with customer service reps, who are ambassadors of your brand because its reputation can be strengthened or damaged during a customer service call. That's why hiring the right customer service reps, giving them the appropriate training, and equipping them with the right tools are essential not only to delivering great customer service but also to strengthening your brand reputation. Recognizing the important role agents play in delivering good customer experiences, we're featuring our cover story, "10 Ways to Rearchitect Your Contact Center" (page 17), by News Editor Leonard Klie. In the story, a customer loyalty expert aptly states, "Especially in today's challenging marketplace, brands that excel at delivering an experience that engages customers by creating and maintaining a strong emotional connection with them will have a distinct competitive advantage."

So, it stands to reason that customer strategists should ask of each customer interaction: Will this experience help or hurt my organization's brand? Most customer experiences can be influenced by the organization, but what happens when your organization is hit with a sudden and unexpected crisis and your brand is under widespread attack?

Generally, organizations would dust off their crisis management guide and immediately put it into practice. But when was the last time your crisis management guide was updated? Does it incorporate ways to handle social media? In today's highly connected world, bad news travels fast—really fast. The feature story, "Don't Let a Crisis Destroy Your Image" (page 30), reveals how Domino's Pizza suffered a sudden and sizable setback to its brand, thanks to a revolting YouTube video that was shared on Twitter and Facebook. The video (which showed former Domino's employees doing unsanitary acts with food) received 700,000 views within the first 24 hours after its posting. So having a crisis management plan that incorporates social media is essential.

Creating great customer experiences, brand building, marketing, and employing social media strategies pose challenges that are not unique to large enterprises. Small businesses struggle with them as well. And, according to our feature "Small Wonders" (page 24), there are more small businesses in the United States today (6 million) than there were in 2000 (5.6 million). This story offers advice on how this growing market can increase revenue, maintain profitability, and acquire new customers. It even includes an exclusive interview with the Cake Boss, Buddy Valastro, on how technology is helping his bakery business grow.

Just because these businesses are small doesn't mean they're insignificant. According to Valastro, small businesses "are the backbone of America. And I think that if our businesses do well, the economy will go right back on track."

Valastro landed two television reality shows largely because his bakeries create exceptional cakes. Now, with better technology, he can provide exceptional customer service. Are you consistently providing exceptional experiences across your company?

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CRM (ISSN: 1529-8728) is published monthly by CRM Media, a division of Information Today, Inc., 143 Old Marlton Pike, Medford, NJ 08055 USA; Phone: (609) 654-6266; Fax: (609) 654-4309; Internet: www.infotoday.com. Registered in U.S. Patent & Trademark Office.

Periodicals postage paid at Medford, NJ., and other mailing offices.

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POSTMASTER: Send address changes to CRM magazine, P.O. Box 3510, Northbrook, IL 60065

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BY DHIRAJ RAJARAM, FOUNDER AND CEO, AND LAKSHMI MANASA, SENIOR BUSINESS ANALYST, AT MU SIGMA

The Real Value of Social CRM

Leverage public social media and niche sites to drive traffic to your community

I'VE JUST RETURNED from this year's CRM Evolution event in New York City, where I presented a three-hour CRM executive boot camp. The event gave me additional insight into why there is still so much industry confusion surrounding social CRM. While I have written previously on this topic, it bears repeating: You cannot have social CRM without social media.

Social CRM is the process of integrating the social consumer into your current CRM efforts. That means harvesting sentimental insights from your customers' Twitter posts, Facebook comments, and activity on other social media sites and then integrating relevant information directly into your CRM customer profile. By marrying transactional data from your traditional CRM system with sentimental insights by customers from their participation on social sites, you gain a more complete understanding of your customers, which in turn helps you to improve marketing, sales, and service.

HOW IT WORKS

Successful social CRM leverages the hub-and-spoke model (see above illustration), which pulls public social media sites (e.g., Facebook, Twitter, and LinkedIn) and niche sites (e.g., Flyertalk) to drive traffic to your *own* social media community. Build landing pages to meet the unique needs of identified segments, and integrate social information harvested from your community into your CRM system. Finally, leverage insights from analyzing data contained in your CRM system to push out relevant topics and threads to your community.

THE BUSINESS CASE

Is it necessary to go through the effort and expense of creating your own social media community and integrating it into your CRM system? Yes. That is largely because your organization will own the data and have more control over community content and direction. As the owner, you can more efficiently create and sustain a meaningful, two-way dialogue with your customer, which is at the core of building long-term customer loyalty.


Recently, I took part in a strategy session at a California-based customer in the wholesale, commercial, and

retail energy business. While its wholesale and commercial lines of business are growing nicely, its retail business is considerably lagging the competition in growth and profitability. The problem is a lack of an emotional relationship with current and prospective customers. While this company could create a community on Facebook to open a dialogue with customers, the bigger bang for the buck comes from driving traffic from Facebook-type communities to a company's own social media community. At its own community, a company can become much more intimate with those customers.

The increased personal online engagement leads to a sharing of ideas relevant to this audience, harvesting insights to populate social CRM customer profiles and using its own social media community data and enhanced social CRM profiles to build better digital marketing campaigns.

CUSTOMER-LED PARTICIPATION

My own company is strategizing and building private hub-and-spoke social communities for a B2B2C business and a B2B business. In both cases, we initially faced typical skepticism from executives: "Why do we need to get into social media with all its risks and perils?" To counter that skepticism, we surveyed current and potential customers to determine their interest in sharing thoughts and receiving insights from other customers. Their response was overwhelming positive. In addition to this customer-led demand, we developed a persuasive social CRM business case to validate the development of a hub-and-spoke social community. As a result, it became increasingly clear that by creating and sustaining a two-way dialogue with customers, the community also offered a significant cost savings in customer service and marketing effectiveness.

For all the reasons noted above, you cannot do social CRM without social media. And if your objective is anything other than building brand image via Facebook and Twitter, the only way to succeed is to create, control, and grow your own social media community. 



YOU CANNOT HAVE
SOCIAL CRM WITHOUT
SOCIAL MEDIA.

Barton Goldenberg (bgoldenberg@ismguide.com) is president and founder of ISM Inc., a consulting firm that applies CRM, social CRM, and social media to successful customer-centric business strategies. He is the publisher of The Guide to CRM Automation (17th edition) and author of CRM in Real Time: Empowering Customer Relationships (Information Today Inc.).

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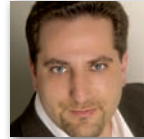
Many executives know that they need to be where their customers are. That's why so many companies are flocking to Twitter and Facebook. But **does your organization have a social media strategy?** Can it garner customer insight from social networks and tie that intelligence into your customer record? **Is it as responsive as possible?** Is your organization using social media to help build brand advocates? Does it have the resources needed to collaborate internally to provide the most relevant answers to customer questions?

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Are You Willing to Socialize With Your Customers?

Stop treating them like children and open a dialogue

MY SON recently had surgery scheduled (he is OK, thanks for asking). After my family had arrived at the surgery center at the appointed time, 9 a.m., we waited for two hours without help or any sign of progress. I asked the secretary when my son was scheduled to go into surgery, and she gave a few responses, all of them evasive. Then the nurse arrived and she, too, was full of noncommittal answers. Eventually, the administrator offered a full commitment—and his business card. Still, no one had answered my straightforward question: When is my son scheduled for surgery?

After some commotion, we suddenly were asked to enter an office. As an old-fashioned “customer centricity” person, I take customer service for granted. Typically, if a customer gets too vocal, the service organization goes into crisis mode to try to quiet the situation.

That approach is being implemented by many organizations in the evolving social media channel—and, yes, it is a channel. As I go beyond the hype to observe the channel’s evolution, I find that organizations are treating their customers like children. The dominant interaction is fun and entertaining and comes with cheap offers. There is no real dialogue. Social media specialists, many of whom come from public relations backgrounds, are crafting entertainment toys as a way to expose customers to their chosen brands. A recent page 1 story in *The New York Times* details how Delta Airlines uses Twitter to conduct real-time customer service monitoring. The airline responds immediately to upset customers by offering compensation. Remember the rule: If a customer screams, quiet him through bribery and attention.


Delta certainly is not alone in this practice. As I read this story, I asked myself:

1. Why didn’t the customer contact the call center and get his issue resolved immediately?
2. Why weren’t the call center people given vast latitude to resolve customer issues?

In short, why are we raising a new generation of customers who will know the first rule of customer service: noise = attention? The greater the noise, the greater the attention.

The answer to that question is simple. We never accepted the legitimacy of the customer as a partner in the relationship. The customer was, and remains, an object we need to acquire and retain, and his opinions are marginally important only to the extent they support revenue and profit targets. Accepting the customer as equal to your CEO is a notion that your CEO resents. Executives the world over do not accept customers as partners. Instead, customers are considered a revenue stream, a quota fulfillment system, a necessary evil, or the cheapest way to make a company’s numbers.

The newly acquired customer power through social media raises a classic question. Success in social media does not depend on your technological capabilities; for example, you do not have to produce a clever attention-grabbing video on YouTube to attract millions of people. The classic question is cultural: Are you ready for an honest and open dialogue with your customers? The social media challenge is no different than the customer centricity challenge. Are companies and executives ready to accept the customer as a partner? Some already have. Starbucks’ Idea site and Dell’s Ideastorms are great examples of companies that treat customers as partners.

However, the vast majority of companies treat customers as children who need cheap entertainment and babysitting so they will not scream too loudly. Social media might be the last attempt to wake up executives, who have been living in denial. Customers are not children, and they should be treated with respect and openness. Take them seriously, not only because of their newly acquired social tools, but also because throughout the generations, this model has proven more profitable than treating them as immature kids who can be taken for granted. 

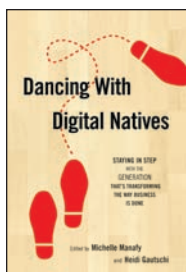
Lior Arussy is the president of Strativity Group, a global customer experience research and consulting firm. Arussy is the author of Customer Experience Strategy—The Complete Guide From Innovation to Execution (2010).



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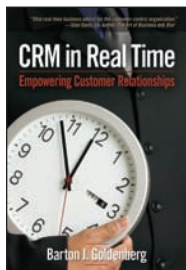
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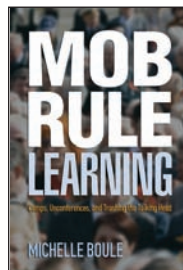
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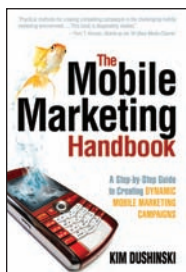
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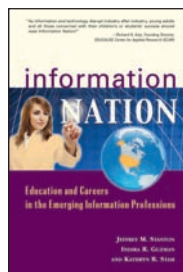
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Social Media's Tough to Measure

Current benchmarks are "typically the wrong ones"

After surveying 33 marketers and five community platform providers to determine what makes a winning branding campaign, Forrester Research concluded that current benchmarks are "typically the wrong ones."

Marketers are making two big mistakes, says Melissa Parrish, an analyst at Forrester and lead author of the study report, titled "Community Benchmarking Metrics," which tried to nail down standard measures of success in marketing. "On one end, you've got marketers setting no goals at all," she says. That's a problem because "if you're not measuring anything, how can you know when you're successful?" she asks. "Or, worse, how do you know when you're not successful and how would you determine what to do about it?"

The second mistake is that marketers are "so focused on quantitative measurements that they forget to deliver value to their members," Parrish says. "Communities are a type of social media, so whether or not there are conversations is only one piece of the puzzle. Whether or not those conversations are any good should be another piece."

The report details best practices that allow average community participation. "Even average performance doesn't magically happen," the report says. "There are a handful of basic practices interactive marketers must implement to ensure their efforts will perform on a par with the majority of branded communities."

Among the best practices to consider are the following:

- **Have a persistent link to the community in the main navigation of your Web sites.** According to the report, 19 of the 33 companies provided visibility for their communities by including a clear link in the global navigation of their Web sites. "This ensures that no matter where a user is on your Web site, the community is accessible," the report says.

- **Use social media and email to promote your communities.** Only 10 of the 18 companies with "average" results promoted

Marketers are "so focused on quantitative measurements that they forget to deliver value to their members."

their communities using social media. Eleven employed email as a promotional tool. "To determine if a brand should be in social media, we always start by understanding how or if the brand's audience is using social media," Parrish says. "At this stage, most brands will find at least some of their customers on social media, but then the brand has to figure out what their objectives for engaging in social media are." Parrish adds that brands should not be on social media just for the heck of it; they need to have a plan.

- **Spend less than \$5,000 on promotion.** Forrester reports that 12 of the 33 companies surveyed spent less than \$5,000 on promotional costs during the first three months of their community launches. Eleven did not exceed \$5,000 for the whole first year.

Moreover, for the average branded community, only 10 percent of unique visitors to a company's Web site will visit the community, and only 5 percent of those people will become members, the report says. Those statistics support the 90-9-1 rule, which posits that "90 percent of community participants are casual members or lurkers, 9 percent are active, and 1 percent are



super-active,” the report notes. “The percentages will have variance in a given community, but more than half of the companies in our study track active members in the 6 percent to 10 percent range and super-active members in the 1 percent to 5 percent range.”

Researchers also examined “extremely healthy communities,” defined as those with well-above-average results. Those communities demonstrate the following characteristics:

- They have at least one dedicated community manager. Although the majority of companies had resources that are only “partially focused on managing the community,” extremely healthy communities had at least one full-time employee primarily focused on the community.

- They go beyond social media email. Online display ads and contests were the most common other channels used.

- They spend more than \$10,000 each on promotion in the first year. Of the five companies that raised their promotional investment to that level, all of them surpassed average community visitor and registration rates. Four reported shifting the 90-9-1 average to about 80-15-5. “It’s visibility and promotion of the community, overall traffic to your Web site, and other non-industry-specific measures that matter most,” Parrish says.

- They all define and measure active and super-active members. Of the eight communities that report reaching “critical mass,” six have measurements for active and super-active members that they track regularly. “When marketers see their active and super-active memberships starting to slip, they’re able to review the data to understand what particular activities are waning and causing the slip. Then they know where to focus their efforts to get activity measures back on track,” the report states.

“I was surprised to see what kinds of things some marketers aren’t tracking,” Parrish says, noting that 28 percent of respondents

didn’t define an active member. “To me...when you’re launching a community, you can’t base your expectations solely on the performance of other communities in your industry. Those communities may have performed on a par with averages, but the averages we found cross industry boundaries.”

- They all have extremely passionate affinity audiences. Forrester found that brands that reported small but extremely passionate audiences tend to define critical mass as “the number of active members necessary for conversations to be self-sustaining. Though only two enthusiast communities of this type participated in our survey, they both report having reached critical mass within one year of launch.” —*Brittany Farb*

What Not to Do

In addition to defining industry-wide community benchmarks for success, Forrester included the wrong questions that marketers ask. They include the following:

- **How many members do I need for my community to be successful?** While membership goals could be used as “guideposts,” these numbers alone should not define success.
- **What do other communities in my industry look like?** Researchers found that community data within industries varies so widely that it is essentially ineffective to use for establishing goals.
- **How long should it take for the community to reach critical mass?** A universal definition does not exist. “Regardless of the definition, achieving critical mass has more to do with particular steps taken by the marketer than simply a measure of time,” the report says.

RELAXED SHOPPERS, LOOSER WALLETS

Research studies customers’ willingness to spend based on state of mind

The more relaxed consumers are when they enter a store, the more money they are likely to spend, according to a study published by Columbia University researcher Michael Tuan Pham in the *Journal of Marketing Research*.

Researchers conducted the study by using videos and music to make 670 participants feel relaxed. When presented an array of items, participants were asked to assess their value using a variety of purchase scenarios, including bidding in an online auction. Relaxed participants bid about 11 percent higher for a digital camera than their less-relaxed counterparts did in

the first six studies. The opposite also held true, with less-relaxed participants coming in much closer to the actual value when bidding. The reason? The brain does not feel threatened in a relaxed environment, which encourages “abstract level” thinking about products to purchase in the store.

“In the store, people tend to be much more on guard,” explains Bruce Temkin, managing partner of The Temkin Group. “They have to protect themselves from a lot of messages going on embedded in someone’s environment.”

It is “no surprise” that relaxed consumers made decisions differently than



those who weren’t relaxed, Temkin adds. However, he urges retailers to look beyond in-store behavior when analyzing customers. “For companies to make use of this, they have to also understand how people feel about the decision after the fact and not just look at a single step. Instead, look at the entire process,” he explains. —*Brittany Farb*

Rethink Pink

Materials of this color might be counterproductive for breast cancer awareness, a study finds

Every year, breast cancer survivors, their friends, and families adorn themselves in pink shirts, ribbons, and other accessories for the world's largest fund-raising event for research and awareness: the Susan G. Komen Race for the Cure.

But is the recognizable symbol a hindrance to the cause? Yes, says a study conducted at the Rotterdam School of Management at Erasmus University in the Netherlands. Professor Stefano Puntoni demonstrated in a series of 10 experiments over three years that women were less likely to think themselves at risk and less likely to donate to breast or ovarian cancer causes in response to advertisements with a pink color scheme. Despite Puntoni's original hypothesis that pink was the "best color for women's issues," his study's results proved otherwise.

According to the report, when a woman perceives a cancer advertisement aimed directly at her through gender-specific colors, such as pink, she likely will "subconsciously go into a state of denial. By adding all this pink, by asking women to think about gender, you're triggering that [mechanism]," Puntoni said in *The Harvard Business Review*. "You're raising the idea that this is a female thing. It's pink; it's for you. You could die."

Ian Michiels, director of the enterprise marketing practice at MarketSphere Consulting, explains, "There's definitely a perception in society that there are girl colors and girls have certain roles. Twenty years ago, that may have been appropriate, but now the way women act in society has changed."

Michiels says he "wasn't shocked at all" by the study. "It's still tough for women and their careers, and I can see how [traditional marketing] can point that out," he says. "It's a traditional way of viewing that, and we have moved beyond it."

Although she admits she was surprised by Puntoni's results, Kimberly Collins, research vice president at Gartner, says she understands the potential pitfalls of color-specific advertising. "Pink is associated with what you might refer to as the fairer sex, not as strong," she explains. "It just has an association with being weak and frail. I can certainly see that some people may take it to the extreme of being associated with being not as good as men, basically going back about 50 or 100 years in time when that might have been a stereotype that some people may have had."

Even with those findings, most breast cancer awareness and fund-raising organizations use pink in their branding. "There is a brand that has been created with a color," Michiels states. "You've got the ribbons and the association with that. They have spent a tremendous amount of money in all kinds of different avenues making sure that's associated with breast cancer. You wouldn't just throw it out because a few people are offended."

Collins adds, "The longer you let a brand like that kind of sit around and be well-known, the harder it is to change it. If you make a change now, then you have to explain why you made the change."

The decision to revamp the advertising campaign needs to be based on numbers, Collins says. "They have to weigh the cost of changing, which may be quite hard given that the brand has been around for so long, versus the benefits of actually changing," she explains. "If it was 20 percent or more of the population and

you're talking about missing out on millions of dollars, it might be time to change simply because you will have better benefits from making that change."

Both Michiels and Collins encourage charitable organizations to use social media to determine the general population's perceptions about any colors used in their campaigns. "Social is really rapidly changing because these are the types of things that you can ask the population about and get some quick, instant feedback and make decisions

before you officially launch," Collins says.

Social provides "very low-cost avenues to change perceptions," Michiels notes. "I can see how people could feel this way, but is it enough to say that it's a big enough deal that we should make an issue out of it and make changes because of it? Social is a really cheap way to evaluate whether or not this whole pink campaign concept is the right thing."

In addition, Michiels notes that charitable marketing is "fundamentally the same" as other forms of advertising. "You really have to resonate, be relevant and timely, and touch them at a personal level," he says. "If you're not doing that, then you're just part of the noise, and you aren't going to rise above it because there is just a ton of marketing out there today."

Collins agrees: "Many of the basics in terms of how you take the target customers and manage that process should be the same. The difference is in the perception of the people receiving that message. It probably wakes people up...and they may not mind those campaigns as much as the ones for products they don't like."

Will the longstanding Think Pink undergo a makeover? Unlikely, says Michiels. "You aren't going to throw out five to 10 years of capturing mindshare in that way. People associate it with that, and that's a good thing." —Brittany Farb



"There's definitely a perception in society that there are girl colors and girls have certain roles."

Marketing Dollars Move to Interactive

Spending in this segment will rival TV advertising by 2016

Advertiser spending on interactive marketing will reach \$77 billion—the amount spent on TV advertising today—by 2016, according to a Forrester Research five-year interactive marketing forecast.

Currently, marketers spend roughly \$34.5 billion a year—or about 16 percent of their total ad spending—on interactive campaigns. In the interactive channel, marketers spend about \$18.8 billion on search marketing, \$11 billion on display advertising, \$1.6 billion on mobile marketing, \$1.5 billion on email marketing, and \$1.6 billion on social media.

Those five interactive outlets will grow to 26 percent of all advertising spending by 2016, notes Forrester analyst Shar VanBoskirk, in “U.S. Interactive Marketing Forecast.”

According to VanBoskirk, the growth will be fueled not only by greater acceptance of interactive channels, but also by marketers’ hiring larger interactive teams; growing excitement about emerging media, including mobile, social, and online video; the cost-effectiveness of interactive marketing; and customer obsession with online media and portable devices, such as smartphones and tablet PCs.

“Search will continue as the largest piece of the interactive marketing pie, growing to more than \$44 billion over the next five years,” VanBoskirk writes in the report. “However, it will lose share, from 55 percent to 44 percent of all interactive spend, in 2016, as marketers refocus their search marketing strategies on getting found by users through any medium—not just search engines.”

Among other channels, TV ads accounted for 34 percent of ad budgets in

2010, followed by the Internet, at 14 percent; newspapers, at 12 percent; radio, at 8 percent; and magazines, at 5 percent.

This year, spending on mobile paid advertising and search will surpass that of email and social media and will soar at a 38 percent compound annual growth rate, to \$8.2 billion by 2016, the report says. “Our 2009 bet that mobile marketing adoption would hit its stride in 2011 proved right on,” VanBoskirk notes.

The medium will continue to grow as marketers create more relevant mobile ads, mobile devices become even more mainstream, and buyers embrace more mobile commerce and the advertising that drives it.

In addition, the report details an uptick in spending on email marketing,

nearing \$2.5 billion by 2016, with a 10 percent CAGR during the next five years. That increase comes as businesses launch interactive programs, create calculated campaigns, and upgrade email analytics.

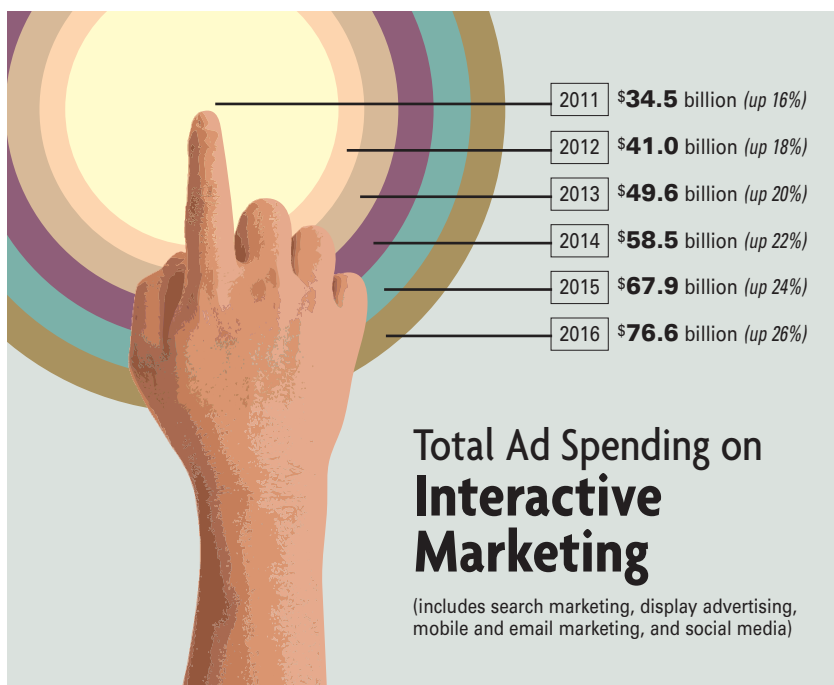
According to the report, the combination of social media management technologies, agency fees, and spending on paid integrated social network campaigns will rev social media at a 26 percent CAGR during the next five years. Still, social media will hit only \$4.4 billion and account for just 7 percent of interactive spending by 2016. The small

level of growth will continue to be fueled by the relatively low cost of social media management as well as higher spending on social media-monitoring programs.

What does all that growth mean? VanBoskirk says, “We expect this growth to help firms become adaptive, kill off daily deals, reemphasize marketing’s four Ps—packaging, placement, price, and product—and turn consumer electronics into audience-targeting tools.”

—Leonard Klie

“Search will continue as the largest piece of the interactive marketing pie.”



MARKET FOCUS: HIGH TECH

CAN THE INDUSTRY DELIVER INTEGRATED SUPPORT?

Customers want a central place to answer their questions about the devices they use

As consumer electronics become more pervasive, buyers are finding it difficult to manage the myriad high-tech devices they use. In response, many people seek integrated technical support that would let them turn to a single company, according to a study by Accenture.

Demand is especially high among super-users—those who own and regularly use 14 or more consumer electronics devices, including computers, smartphones, GPS systems, high-definition TVs, DVRs, and medical devices. In the study, 63 percent of respondents said they would like to have one company provide technical support for most or all of their devices. More than one-third, or 36 percent, indicated their top choice would be to work with someone remotely, chatting online, speaking on the phone, or communicating via email.

With the number of super-users rising, the issue is becoming bigger, says Kurt Hogan, executive director of premium technical services in Accenture's Communications Industry Practice. "All of us are trending toward becoming super-users," he says, noting that the trend is hastened by the convergence of device usage for professional and personal uses.

"Our research shows that [consumers] are recognizing the value of integrated support to help manage home and mobile devices, ranging from in-home support, including remote access, to live call center and Web support, to email," Hogan wrote in the report. "We expect this concern to broaden. As usage continues in the home and at work, it puts more value on fixing problems quickly and easily."

But the vendor landscape hasn't necessarily kept up with the demand, according to Hogan, who says integrated support is not readily available yet. It is,

however, "heavily on their minds," as they try to adjust core support mechanisms to address it, he says.

Moreover, many companies are exploring ways to monetize tech support for products that fall outside their core competencies, Hogan says. He predicts that companies soon will figure all that out.

"The industry is focusing on expanding their core support, and there's a fair amount of trial-and-error now," he reports. "The technical capability is there. We will not need a technical revolution to provide it. We'll start seeing activity in this space sooner rather than later.

"Now is the time to address this market," Hogan continues. "The digital home is going to become more complex, not less, as devices and applications proliferate, with consumers presented with a wide variety of service provider options. We believe there are opportunities for these providers to maximize the customer experience and solidify customer loyalty, if they can equip themselves to provide integrated technical support."

But providing integrated technical support, while daunting, is the least of the high-tech industry's customer service problems. Previous research from Accenture found that communications and high-tech companies are falling short in customer service and need to redirect their investments toward enhancing the customer experience, including with the use of social CRM tools.

According to the research, 61 percent of communications and high-tech companies said they were making investments to improve customer service, but customer expectations also are rising.

The research further noted that customers are likely to seek out better service elsewhere if their current vendors don't improve. —Leonard Klie

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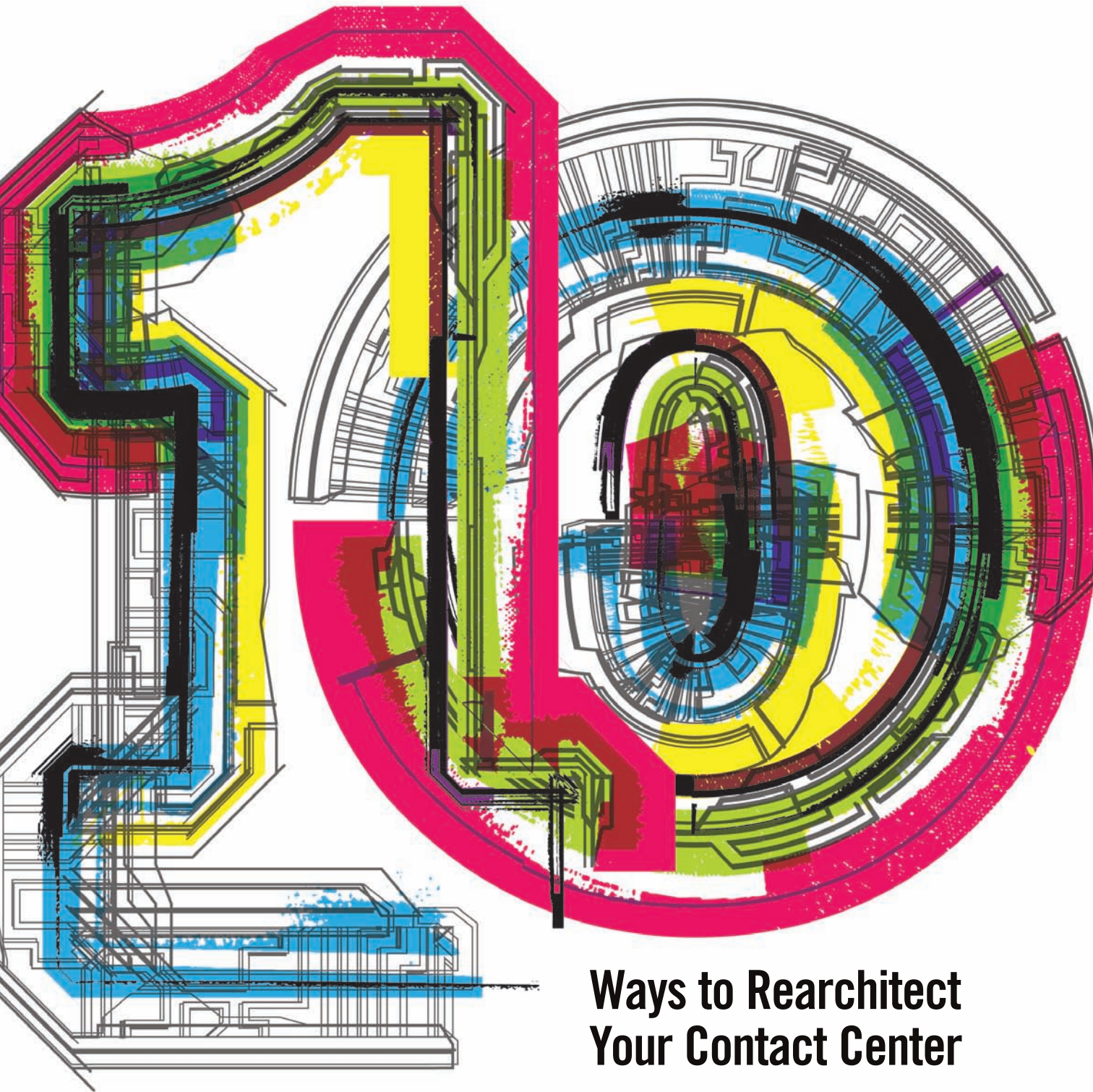
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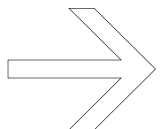
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Ways to Rearchitect Your Contact Center

*Hiring, training, and technology are considered keys
to raising the customer service standard*

BY LEONARD KLIE



For most Americans, customer service conjures thoughts of an irritating maze of phone menus, call flows, and transfers, followed by scripted voices with strange accents belonging to people halfway around the world who can do little to resolve problems. That description is supported by research.

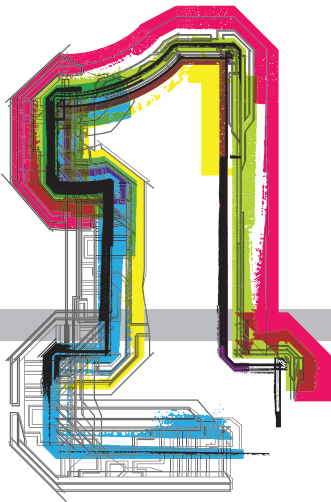
Two-thirds of consumers (67 percent) have hung up during service calls before their particular issues could be addressed, a recent survey by *Consumer Reports* found. Seventy-one percent were “tremendously annoyed” at not being able to get a real person on the phone, and 56 percent were just as annoyed after having to jump through multiple phone hoops to get the right information.

There is nothing unusual or surprising about a study that reveals American consumers are unhappy with the customer service they receive. Other surveys have uncovered similar levels of dissatisfaction for years. What is surprising is that so little has been done to remedy the problem, and that needs to change—fast.

“Companies are no longer just in the business of selling goods and services; they are in the business of selling a customer experience,” says Mark Johnson, CEO of Loyalty 360, the Loyalty Marketer’s Association. “Especially in today’s challenging marketplace, brands that excel at delivering an experience that engages customers by creating and maintaining a strong emotional connection with them will have a distinct competitive advantage.”

So, how do companies get there? They must view customer loyalty as integral to their organizational strategies and understand their customers’ needs as fundamental to business success.

Consider the following tips to enhance your long-term CRM success.



Start with the Staff

It’s a long-standing tenet in contact centers that happy employees lead to happier customers, but far too often the agents in the contact center are far from happy. Instead, the work is often viewed as being “a small step above convenience store clerk,” asserts Paul Stockford, chief analyst at Saddletree Research.

Lior Arussy, president and founder of the Strativity Group, says that for the wrong person, the contact center can be “a toxic environment.” Agents typically field more than 10,000 calls a year from angry and upset customers, he says.

It takes a special type of person to work and thrive in that kind of environment, and too often the agents that companies hire are not the right matches for the required work.

“The recruitment and hiring of new agents is the real weak link in the whole customer service process,” Stockford says.

Maggie Klenke, vice president and founding partner of the Call Center School, which consults in the development of contact center personnel, agrees. “First and foremost, you need to hire and keep the right kind of people, with the skills and capabilities to do the job the way you want it done,” she says.

Easier said than done. Fifty-seven percent of call center managers responding to a recent Knowlagent customer contact

center productivity survey said they are having trouble finding and keeping employees with the right skill sets for their facilities.

Klenke suggests exposing potential employees to the contact center environment, painting a realistic picture, and letting them know what they can expect well before hiring them.

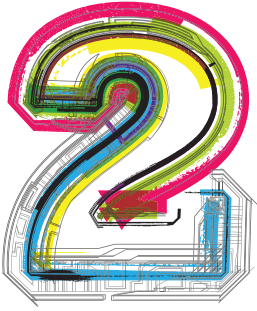
Bruce Temkin, managing partner of the Temkin Group, a customer experience research and consulting firm, recommends “hiring for the attitude and then training for the skills.” The ideal person should be engaging with a desire to help people, he says.

Then, Stockford suggests mixing psychology and technology into the screening. Some companies offer software that lets contact center managers or directors of human resources prescreen candidates by posing a series of questions presented in an interactive voice response system. One such question might be, “Are you legally eligible to work in the United States?”

Finally, the system should be paired with performance management tools to track the success of the people who are ultimately hired, identify common traits among them, and recycle those characteristics back into the hiring solution to seek them in the next round of hiring.

“Then, once [the right people] are in place, you need to keep them there,” Klenke says. To achieve that, companies will need to rethink how they provide incentives to get qualified and capable agents to stay in a call center job for more than a few months.





Incent with a Purpose

“The first mistake we see in the design of incentives is the assumption that money buys love,” Arussy says. “You’re not going to make people care about you just because you gave them a little more money.”

Another flaw, according to Temkin, is tying incentives strictly to higher call volumes, with bonuses based on the number of calls an agent takes.

A more effective incentive program, he and others say,

would provide agents with a clear career path and mobility and reward them for meeting or exceeding performance metrics, rather than for simply taking a higher-than-normal number of calls.

Incentives also could revolve around the feedback that agents elicit from customers and for the little things that improve the quality of the call and the customer experience.

Moreover, as contact centers increasingly handle non-phone channels, such as email, chat, fax, or social media, agents need special training to handle those interactions. Incentives could be tied to the cross-training agents receive and the different roles they can handle within the contact center.

However, for such a program to work, call center operators and managers need to set clear performance



guidelines and use quality and performance management applications to determine which employees are meeting or exceeding those guidelines.

“You need to look at their intrinsic motivations,” Arussy

says. “If they’re there to help people, you need to encourage that. And when they reach milestones, celebrate them. Don’t provide incentives as a supplement to their income. Incentives should raise the standard of performance.”

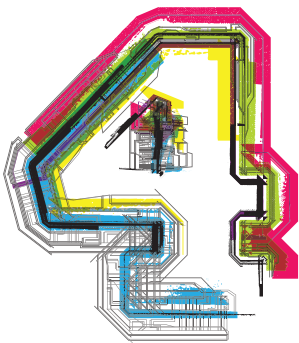


Let Them Stay Home

More and more customer service organizations also are embracing “homeshoring,” in which agents answer calls from home without ever having to remove their slippers, as a way to attract and retain good people. Homeshoring yields better service, according to research, because it attracts more experienced workers who like the scheduling flexibility and the opportunity to skip commuting to work. Other benefits include lower staff turnover: Companies that outsource calls to home-based agents report turnover rates of between 10 percent and 30 percent, compared with about 80 percent in the average call center.

While homeshoring is a popular choice for stay-at-home moms and semi-retired people, Stockford sees great potential from another untapped source. He endorses a nonprofit organization called Veterans to Work, which trains thousands of out-of-work veterans in customer service and sets them up in home offices. Ninety-seven percent have high school diplomas, and 28 percent have bachelor’s degrees or higher. Hiring veterans gives contact centers a spectacular opportunity to create goodwill in the community and alter the public’s perception of the industry, he says.





Twice the Training

Regardless of whom you hire or where they work, training is the only pure way to ensure that agents are prepared to take calls. Saying “you can never overtrain someone,” Arussy suggests that companies across the board double their training of agents.

As proof, he cites the Ritz-Carlton luxury hotel chain, which mandates that every customer service agent receive at least 250 hours of training each year. Such an effort, which helps to keep people sharp and motivated, has helped the hotel maintain a leadership position in customer satisfaction year after year.

In addition, cross-training on multichannel interactions allows managers to pull agents “off one area to fill another” as needed throughout the day, Temkin says.



Klenke points out that it is just as important to train supervisors as it is to train agents. “Most supervisors do not know how to get the most out of their people,” she says. “HR often gives them help to do employee evaluations, but not much else.”



Tackle the Technology

A recent survey by Velociti Partners Inc. found that the average customer service rep in financial services uses seven or eight applications daily to resolve issues. Often those applications, and the databases connected to them, are siloed, meaning that even the simplest processes require extra time and effort. As a result, call handling times, customer satisfaction, and even costs suffer.

Therefore, the first step in tackling technology involves breaking down silos and integrating data across departments. Using one integrated set of analytical data throughout the company could help

executives make important decisions about how much to invest in a particular customer.

Duke Chung, chairman and cofounder of Parature, which provides software for customer service, help desk, knowledge base, case management, and trouble tickets, takes that advice one step further. “Integrate your CRM system with an online customer support solution so your sales and support teams can get one comprehensive view of your client’s customer service inquiries,” he says.

In addition, because technology is such an important part of the contact center, agents and supervisors should know how to use all of the tools available to them. But even before that, contact center operators must start by giving

agents the tools they need to be successful and deliver the right customer information at the appropriate stage of the call flow. A reliable and accessible knowledge base can help.

"You want to have and build out a consistent knowledge base that you can deploy to self-service through the IVR and to the agents," Temkin says, noting it is vital to arm the agent with information about the customer before she picks up the call. "Deliver as much as is relevant as quickly as possible," he says. "A lot of ROI can be seen in putting in place a single-screen, single-platform system."

Ed Shepherdson, senior vice president of enterprise solutions at Coveo, a provider of enterprise search technologies, says the rewards can be manifold. "When you provide the agent with access to the complete set of information, they are able to answer the customers' questions with ease, be more confident in their answers, and have greater job satisfaction," he says.

Conversely, when new employees don't know how to get information, they interrupt coworkers, reducing productivity, Shepherdson says.

Among the emerging technologies taking hold in the contact center are unified communications and presence, which Stockford says can influence first-call resolution rates. Through presence, for example, companies can see which agents are available and route the calls to the agents with the appropriate skill sets to answer callers' particular questions. That will have a profound impact on first-call resolution, he says.

But, with any technology

addition, the caveat is that you should not try to install too much at once. Doing so would overwhelm customers and staff and produce an overblown system that few would want to use, experts say. Instead, they advocate focusing on the top five processes that you want to implement and then keeping it simple.

Some suggestions that would have long-term effects

on customer and employee satisfaction include automatically synchronizing customer data across multiple systems; logging all customer interactions (regardless of the channel) and automatically adding them to customer records; automating the delivery of cross-sell or upsell offers to customers; allowing employees to access data stored in multiple applications, data-

bases, or servers from one application with a single interface; and providing a mechanism that automatically alerts agents when a high-value client is on the line.

Nonetheless, Arussy warns against simply throwing technology at a perceived problem. "The real battleground is in getting the agent to deliver the right answer to the customer at the right time," he says.



Make It Mobile and Multichannel

Just as important is delivering the right answer in the right medium. Though the phone still constitutes 70 percent to 80 percent of all interactions within a contact center,

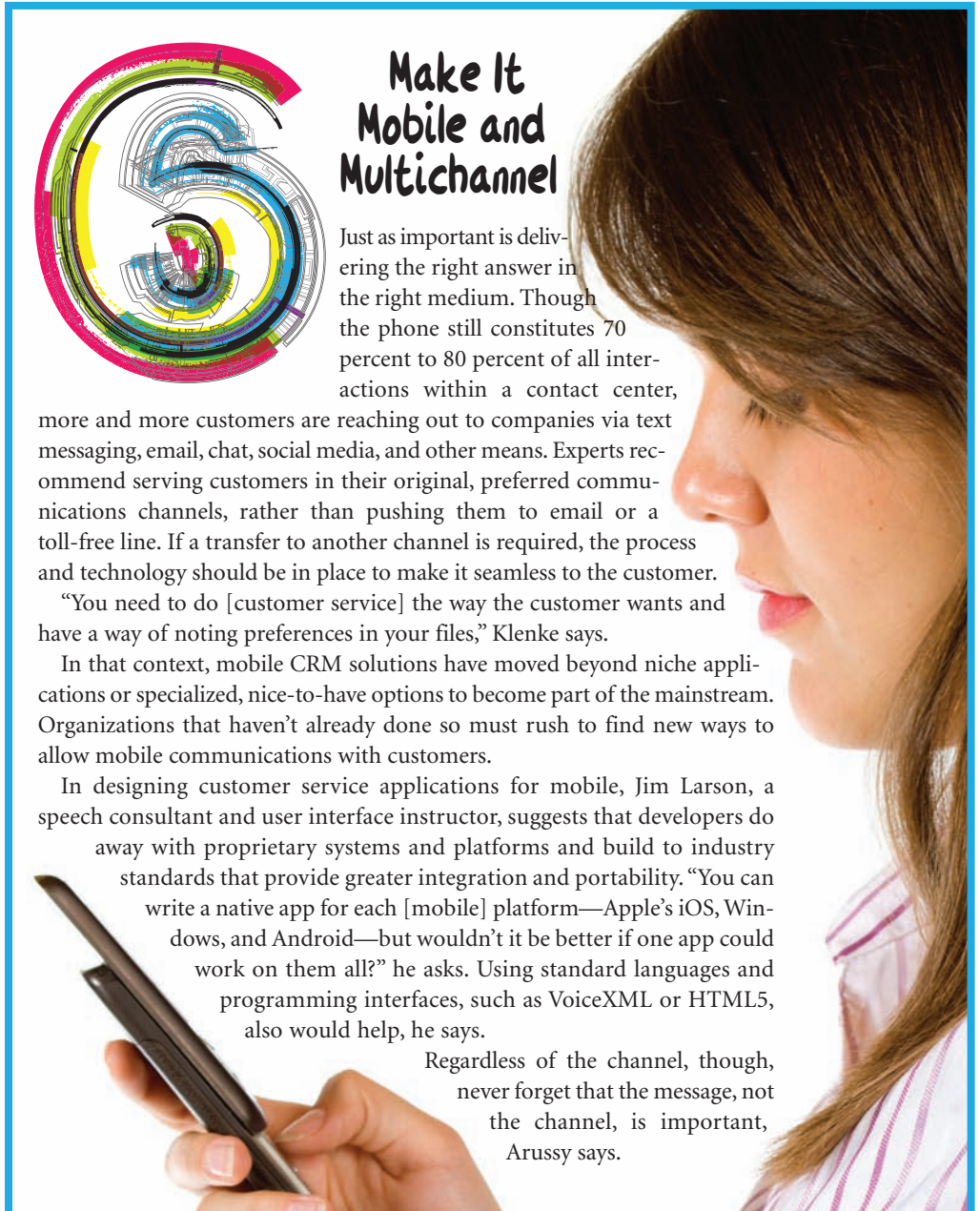
more and more customers are reaching out to companies via text messaging, email, chat, social media, and other means. Experts recommend serving customers in their original, preferred communications channels, rather than pushing them to email or a toll-free line. If a transfer to another channel is required, the process and technology should be in place to make it seamless to the customer.

"You need to do [customer service] the way the customer wants and have a way of noting preferences in your files," Klenke says.

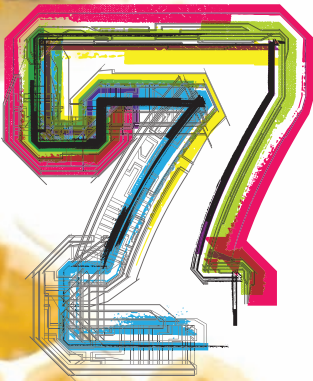
In that context, mobile CRM solutions have moved beyond niche applications or specialized, nice-to-have options to become part of the mainstream. Organizations that haven't already done so must rush to find new ways to allow mobile communications with customers.

In designing customer service applications for mobile, Jim Larson, a speech consultant and user interface instructor, suggests that developers do away with proprietary systems and platforms and build to industry standards that provide greater integration and portability. "You can write a native app for each [mobile] platform—Apple's iOS, Windows, and Android—but wouldn't it be better if one app could work on them all?" he asks. Using standard languages and programming interfaces, such as VoiceXML or HTML5, also would help, he says.

Regardless of the channel, though, never forget that the message, not the channel, is important, Arussy says.



Be Social



The one channel gaining the most traction is social media, which should be a part of any multichannel customer service initiative.

“Adopt a multichannel customer service strategy and make sure that social media is a major component,” Parature’s Chung suggests. “Customers expect to connect with your company anytime, from anywhere, and increasingly customers are turning to social media channels, such as Facebook and Twitter, to ask questions or provide feedback on your products. Your company now needs to monitor these channels; provide rich, self-service knowledge bases; and engage directly with customers in real time on Facebook and Twitter, as well as traditional platforms, such as the Web and email.”

Undoubtedly, social media interactions should involve contact center staff. “You definitely want your contact center involved,” Temkin states. “Customer issues are best left to the contact center, where they have the skills and tools to remedy customer situations.”

In so doing, however, companies need to be aware that it takes a special agent skill set to address customers on social media sites.

Within the social CRM space, there are a few hard and fast rules that the experts suggest.

Choose appropriate social networks: With more companies looking to provide

customer care options via Twitter, Facebook, community forums, and YouTube, select the social networks most appropriate for the desired customer experience.

Don’t limit the conversation to these sites: “You do not want to limit your responses to 140 characters,” Temkin says, noting that some conversations might not be appropriate for public forums.

Prepare to give up some control: Although extremely convenient, easy to set up, and inexpensive if not free to use, social networks are not owned by your company. You do not own the content or the platform. Also, know that conversations over social media are very public.

Commit both time and people: Social CRM is not 9 to 5. Gone are the days of waiting until Monday morning to call support. Many customers interact with companies during evenings or weekends, or both.

Social CRM requires a special skill set: Customer care reps need to be trained on when and how to respond in social networks, many times unscripted, while still adhering to the corporate policies for response.

Integrate it into the contact center: The social tools used to monitor, track, and respond to issues raised on social media sites should be integrated into existing CRM systems. Agents dealing with customers in the social space need to be able to access customer information and previous interaction histories just as much as agents on the phone do.

Don’t go overboard: “Social should fit in somewhere, but it’s not going to replace the phone or email,” Stockford says. “It should not become the main focus of your efforts.”

Get Personal

Customers hate to feel as if agents are reading to them from a script. Besides responding to customers using

their preferred means, companies should learn customers’ personal needs and profiles and target their service and message to each individual whenever possible,

experts say. Cross-sell and upsell opportunities can be tailored to the individual customer based on demographic profiles. Location-based services can provide additional personalization. The key to developing a successful customer experience is to develop a response that is unique and compelling to a customer need.



EFFECTIVE CRM FOR SMALL/MID-SIZE BUSINESSES



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CUSTOMER SERVICE CRM
IN GROWING BUSINESSES:
CHALLENGES AND
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WAITING FOR A WORKFORCE
OPTIMIZATION SOLUTION
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GO MOBILE!

*With AT&T's Award-Winning
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5 TIPS FOR AMPLIFYING
CUSTOMER ENGAGEMENT

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SOCIAL CRM PLAYBOOK

CRM magazine Best Practices Series:

EFFECTIVE CRM FOR SMALL/MID-SIZE BUSINESSES

The small/mid-size business (SMB) market has developed a huge appetite for effective CRM systems that are right-sized for organizations with smaller budgets. Fortunately, a variety of cost-effective solutions exist that are compatible with the financial and IT resources of SMBs.

Picture a typical SMB. It's under \$500 million in revenue (possibly a lot smaller); probably is privately held; employs a small, overworked IT department; and even the "executives" toil in the trenches. In many ways, the best of these organizations are nimbler and more responsive than their larger enterprise brethren. It's like driving a sedan rather than a tractor-trailer truck, which explains why most technology implementations are rolled out as pilot projects and not company-wide launches.

In the SMB market, hands-on executives immediately grasp the value—or shortcomings—of business technology initiatives. There is no ivory tower from which to issue edicts, nor are there layers of middle management to absorb the backlash of poor decisions or performance. But managers in smaller businesses have the advantage of being closer to the problem that needs to be solved, and they have more power to actually effect change. And they are immediately aware of the need for course corrections.

Probably the most fulfilling aspect of working in an SMB environment is that it is simply much easier to leverage a good idea into a transformational driver

to benefit an entire organization. Any technology solution that enhances customer experiences, even indirectly, allows smaller businesses to achieve the perception of a much bigger organization while retaining a natural intimacy with customers. Consider that one of the top reasons for doing business with a smaller company is that customers feel they'll be treated with more importance than if they were dealing with a large vendor. However, the downside is that large organizations have more resources to throw at the care and maintenance of customer service.

Actually, that last point does not necessarily still apply. Many customer solutions today allow even small businesses to achieve the same results as the big boys. In many cases, especially in cloud solutions, it's the same solution scaled for size.

In the following "Best Practices Guide for Effective CRM for Small/Mid-Size Businesses," you'll find five options to help your company achieve enterprise results on an SMB budget.

This section is also available for download, at www.destinationCRM.com/BestPractices.

Bob Fernekees
VP/Group Publisher
CRM Media
Information Today, Inc.

Customer Service CRM in Growing Businesses: Challenges and Solutions

Customer retention through excellent customer service is important for companies of all sizes in a tough economy. However, the challenges faced by small and mid-sized businesses (SMBs) are different in many ways from those encountered by their enterprise counterparts. This article discusses the most important of these challenges and provides solutions.

1. YOUR BEST CUSTOMERS HAVE GONE MULTICHANNEL, MOBILE AND SOCIAL (AND YOU NEED TO FOLLOW THEM)

You need to keep up with the rapid adoption of new communication channels such as web chat, cobrowse, SMS, social, and smart phones by your most vocal and often the most valuable customers. They want seamless service experiences within and across touchpoints—they don't want to spell their mother's maiden name five times and repeat context that they have already shared with your service and sales organization.

Here's a tip! Take a "hub" approach to multichannel service, consolidating all customer communications, knowledge bases, and workflows in one platform. This will create a complete view of the customer and service context, enabling effective, consistent and "no-repeat" service within and across channels. It will also help you avoid the "spaghetti syndrome"—multiple point products for customer service hopelessly intertwined with one another and with backend systems. Another benefit of the hub approach is that it allows you to start with the most important channels first and simply plug in others later, based on your evolving business strategy and consumer preferences.

2. YOUR IT RESOURCES ARE LIMITED OR NON-EXISTENT

Most SMBs have limited IT resources. As companies try to do more with less in an uncertain economic environment, the IT project backlog continues to grow, while your CEO wants results now!

Savvy SMBs are leveraging cloud-based customer service deployments for a rapid start without having to make significant upfront investments or waiting in line for IT resources. We recommend that you go with proven customer-focused suppliers

that give you the flexibility of remaining in the cloud or shifting from the cloud to on-site at the right time, based on your evolving requirements.

3. YOU NEED A RELIABLE AND SCALABLE PLATFORM FOR GROWTH

Compared to internal CRM systems like SFA, customer service systems are more mission-critical since consumers are waiting for an answer and the interaction can make or break the relationship or a sale. Moreover, social networking sites provide a high visibility avenue for customers to "virally" air their complaints about customer service system and process failures, and poor experiences.

As you evaluate software solutions for delivering great customer experiences, ask yourself: Does the supplier have a track record of enabling large-scale enterprise deployments to support your needs as you grow?

4. YOU WANT TO KEEP COSTS DOWN

SMBs have to watch costs even more closely as they position themselves for profitable growth to raise more funding to fuel growth. Among technologies that can help keep service costs down are:

Multichannel Customer Interaction Hub (CIH): The hub approach reduces total cost of ownership (TCO) and improves service efficiency by consolidating interactions, knowledge bases, workflow, analytics, and administration in one platform.

Web customer service: It's well known that eService channels such as email, multi-chat (i.e. multiple concurrent chat sessions conducted concurrently by a single agent), and web self-service are more cost-effective than phone interactions. Moreover, customer preference of online channels has been on the rise, making eService a win-win for the customer and the business.

Knowledge bases: A web self-service system, powered by a knowledge base with multiple access methods such as dynamic FAQs, keyword and natural language search, browse, guided help, and avatar interfaces, can help improve self-service adoption and reduce the need for agent-assisted service. The same knowledge base

can be deployed to agents for increased productivity in the CIH approach.

Proactive service: Proactive notifications through channels such as voice, email, and SMS can help reduce incoming calls into the contact center. Furthermore, a hub approach helps integrate and coordinate these alerts across channels.

5. YOU WANT TO BE A REVENUE CENTER AND NOT JUST A COST CENTER

Let's face it. When you produce or enable revenue, you will be perceived as a value center and not as a cost center, and it will be easier for you to make business cases for ongoing investments in your organization.

Do-not-call rules, restrictions on email marketing, and super-aggressive SPAM filters are making it difficult for businesses to fill the top of the revenue funnel. However, service-related calls and emails are always welcomed by customers, presenting sales opportunities at the point of service.

Next-generation customer interaction technologies can help your service agents and websites to become effective sales agents. Among examples of these sales acceleration tools are intelligent, proactive offers such as content and coupons, click-to-call, click-to-chat, cobrowse, cobrowse-enhanced phone interactions (i.e. concurrent phone conversation with cobrowsing), and chatbots.

6. YOU WANT TO IMPROVE OPERATIONS AND INNOVATE, BUT WITHOUT THE RISK

Have your cake and eat it, too! Launch and optimize your operations, and even innovate to leapfrog your competition. Ask your vendor if they provide risk-free options to try their software and pay only for value without having to sign a long-term contract. Vendors that can "step up to the plate" with this kind of no-lose offer are confident about their own solutions and are willing to put their skin in the game. You are clearly better off going with such an option! ■

ABOUT EGAIN

eGain is the leading cloud and on-site provider of customer interaction and knowledge management software for sales and service across web, social and phone channels. Visit www.eGain.com to learn more.



Waiting for a Workforce Optimization Solution that Fits? Wait No More.

One of the most critical elements of running a call center is making the most of valuable agent resources – hiring the best people, getting the “just right” number of staff in place, measuring performance, and coaching and training to keep things on track. These workforce optimization functions are even more critical in a small to medium sized center given the percentage of impact on service and cost that just one person can make. However, many smaller centers assume they’re not a candidate for workforce optimization solutions given their smaller budgets and limited resources to manage software with the unfortunate reputation of being complex to implement, use and support.

At Calabrio, we believe contact center software doesn’t have to be so complicated. In fact, workforce optimization can fit just right for small to mid-size contact centers, with all the benefits:

- Improve Agent Retention
- Improve Customer Loyalty
- Grow Revenue
- Improve Efficiency
- Ensure Compliance

The answer is Calabrio ONE.

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Personalized views for each type of user – from the executive who wants to correlate contact center performance to business results, to the conscientious agent who wants to keep on top of their own performance to stay on track, to the multi-tasking supervisor who needs convenient access to everything from scheduling to customer interaction tools to the data that

helps them understand where to focus coaching and training.

QUICK TO INSTALL

Have all the benefits in a fraction of the time it takes to install other solutions. Credit that agility to a fresh software design, expert training, flexible upgrade and expansion options, and applications that are truly integrated with each other and your contact center infrastructure.

SIMPLE TO SUPPORT

Calabrio’s Web-based, software-only solution is the right choice for the contact center or IT staff who insists on nothing short of the best in terms of flexibility, reliability and control.

Now is the time for small to mid-size contact centers to take another look at

workforce optimization. First time implementers can expect a return on investment in just a matter of months while improving the experience of both customers and agents. ■

Calabrio ONE. Simple. Streamlined. Intuitive. Personalized. Effective. Take a look.

See a short demo at:
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Build Your Business Case. Find ROI White Papers at <http://calabrio.com/resource-center/white-papers/>

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In today's business environment, building positive customer relationships can be critical to your success. Having real-time access to customer information and the ability to stay connected with your sales teams can help build better relationships and manage your business more effectively.

AT&T delivers a portfolio of solutions to help businesses mobilize their workforce. **AT&T now offers an award-winning mobile CRM solution - SalesNOW from AT&T** - a robust yet affordable mobile customer relationship management and sales force automation solution.

SalesNOW from AT&T allows sales teams, management and executives to manage all aspects of the sales cycle including contact management, company tracking, lead management, deal management, activity and sales reporting. As a result, the solution offers improved sales effectiveness, better sales manager visibility of activities with access to real-time sales and funnel data and helps to reduce the burdens associated with traditional, manual reporting tools.

"It is no secret that sales teams are constantly on the road," said Chris Hill, Vice President, Advanced Enterprise Mobility

Solutions, AT&T Business Solutions. "Whether they are in the lobby waiting for appointments, in the airport en route to opportunities or at home researching new leads, it is crucial for these employees to maximize efficiency and manage sales activities on their schedule. The addition of SalesNOW to our portfolio of mobile applications can help our business customers to increase effectiveness of their sales cycle and ultimately help their business grow."

SalesNOW from AT&T is available for purchase today through AT&T or sign-up for a 30-day, no obligation FREE TRIAL directly through the SalesNOW website - www.salesnow.com. Regardless of your existing Wireless Service Provider, AT&T can deliver SalesNOW to your mobile RIM, Android and Apple devices or tablets. ■



SalesNOW from AT&T received Frost & Sullivan's "2011 Customer Value Enhancement Award" Demonstrating a solution rich in features and functionality delivered at a very low-cost to our customers.

What our customers are saying...

Why SalesNOW from AT&T?

"From 22 different systems that met our basic criteria, and 3 that met our specific set of criteria, the cost to deploy SalesNOW was only 1/3 the cost of other solutions. The platform was very flexible and allowed for a highly scalable hierarchical structure. The mobile clients were not only robust, they were attractive and broadly supported our end-users."

Bob Pogue, Director of IT, Outdoor Living Brands - Franchisor

What results have you seen since deploying SalesNOW?

"Since we deployed SalesNOW, our sales teams have truly increased their level of engagements with customers. We have benefited from a significant decrease in our sales-cycles and our executives love the new reporting tools available."

Mike Roerman, Managing Partner of Greenway Insurance and Financial

Would you recommend SalesNOW from AT&T?

"Any company that is not looking at SalesNOW as a potential solution, should immediately put them in the mix and evaluate them. Not only did we choose the right platform, it has more extensibility than we ever imagined and its cost is lower than we had anticipated. The development and support team has been outstanding to work with."

Bob Pogue, Director of IT, Outdoor Living Brands - Franchisor

PARATURE®

5 Tips for Amplifying Customer Engagement

By: Duke Chung, Founder and Chairman, Parature

Every business is looking for ways to engage customers more effectively to drive more revenue opportunity and improve customer satisfaction so the company remains the preferred provider. Small businesses are no different. In fact, one could argue that SMBs have even more invested in retaining customers, since each customer provides more value to the overall size of the business. That is why it is absolutely crucial to ensure an SMB's customer support and engagement activities result in a positive, unique experience that keeps the customer coming back. Here are five tips for amplifying the SMB customer engagement and support process—affordably.

1. OFFER SERVICE THROUGH THE CLOUD

Many SMBs are still relying on excel spreadsheets and email to handle customer inquiries. This manner of doing things not only delays responses to valued, and now unsatisfied, customers but it also saps valuable time and, hence, money. Moving to a web-based system, delivered through a monthly subscription model, allows the SMB to manage support inquiries affordably, but also provides the added benefit of self-service support options. With a cloud-based support system, companies improve response time, retain more customers and save time better spent on building the business.

2. PROVIDE SELF-SERVICE OPPORTUNITIES

Today's consumer wants answers, fast.

They want issues resolved immediately and not necessarily by speaking live to a person on the phone. The web-savvy customer is looking for ways to find the answer they need online by searching a knowledgebase of articles and Frequently Asked Questions or looking at forums that address an issue. Many are tired of calling in, only to be put on hold for ten minutes or having to leave a message after hours and wait for a call back that rarely comes. SMBs that provide self-service options online and through social media experience higher customer satisfaction rates, less churn, and save money on costly one-to-one service interactions.

3. TAP THE VALUE OF SOCIAL MEDIA

Social media is not going anywhere. And, SMBs are among the biggest beneficiaries of its popularity. With its adoption, every customer and business has a voice. That means that the smart SMB looking for affordable marketing tactics and effective ways to engage customers can join a social media platform (for free) and offer discounts, tips and promote the company's latest products and services. A lesser-known benefit? Social media helps improve search rankings, so the more activity around a brand helps companies be found quicker by new customers. In addition, offering 1to1 service interactions and the ability to submit inquiries through the most popular platforms like Facebook means reaching customers where they are online. Organizations can create momentum and a positive service brand for themselves by acting quickly and responsibly in answering service inquiries via social media.

4. BRAND THE EXPERIENCE AND BE FOUND

Be sure to extend the company's brand to every communication channel. Whether it's a knowledgebase, a Facebook profile or a Twitter page, ensure that colors, logo and look and feel can be embedded in those channels by choosing a cloud-based customer support solution that provides that capability. Also, remember that every article in the knowledgebase should be accessible to the search engine crawlers to help promote the brand. Know the keyword targets that drive the most traffic and biggest bang and tag articles appropriately. This strategy results in tying together marketing and support for a sophisticated Customer Relationship Management (CRM) strategy that rivals those of bigger companies.

5. RECOGNIZE THAT ALL CUSTOMERS ARE CREATED EQUAL

Social Media has leveled the playing field, so to speak. In yesteryear, companies used to rank customers by priority, not caring if low revenue customers fled to a competitor. However, today, social media has empowered every customer to provide benefit—and unmitigated damage—to your brand. When it comes to small businesses, one nasty and unsatisfied customer with 20K Twitter followers can impact a brand so badly that recovery is lengthy and expensive. Nip it in the bud before it happens by implementing a support and engagement strategy that focuses on providing rapid resolution times and a pleasant experience and more customers will come, transforming your small business into Big Business. ■



Social CRM Playbook

Social CRM has been the hot topic of discussion in the CRM space for several years now. The promise it holds makes marketers and sales directors salivate—the sort of information about customers that businesses have worked so hard to discover and collect is now being volunteered by customers through social media channels. The base-level thinking on social CRM goes something like this: “If we can harvest this unstructured data from social media, and add it to the structured data we already know how to capture, we can boost the power of our customer database and thus increase sales, improve service and make our marketing more precise.”

All of that is true—but it’s looking at the social media space through a traditional CRM lens. That view is very similar to the practice of viewing CRM strictly as a technology. It’s actually a discipline, facilitated by a technology—and social CRM is in many ways an extension of that discipline in response to how customer behavior is changing.

The really revolutionary aspect of social CRM is not that customers are volunteering personal data—it’s that you as a business are now capable of engaging in a two-way conversation with customers. Sure, you ought to be able to glean information from those customer conversations to fill in your records about them, but the emphasis is sliding toward your use of social media to build relationships first. Without those two-way relationships, you will limit your ability to discover customer data—and the customers you seek to sell to will have less of a relationship with you and your business.

Social CRM is the response of businesses to the advent of social media and the eager adoption of the new communications channels by B2B and B2C buyers alike. It creates a new environment for customer conversations, a new opportunity to learn about customers, and a new opportunity to engage, build peer-to-peer relationships and strengthen brand perception.

In order to do all of this successfully, however, you need a strategy. That starts with some realistic goals about social CRM, commitment from your business’s leadership, and a methodical analysis of

your resources and of the preferences and behaviors of your customers. It also requires you to listen—which for many businesses is the hardest chasm to cross.

This white paper will provide an outline of the broad steps you should take in building a social CRM strategy and a overview of how you can pair that strategy with technology to enable your business to practice real social CRM. But beware: because every group of customers is unique, and because every business approaches the ideas of social media in different ways, there are no best practices for social CRM. The best practices you develop for your business will be almost

impossible to transplant into another organization—but that’s an indication of the competitive advantage you can gain from working hard to develop an approach that works for your business. ■

WP Link:

<http://www.sugarcrm.com/crm/resources/white-papers/Social-CRM-Playbook>

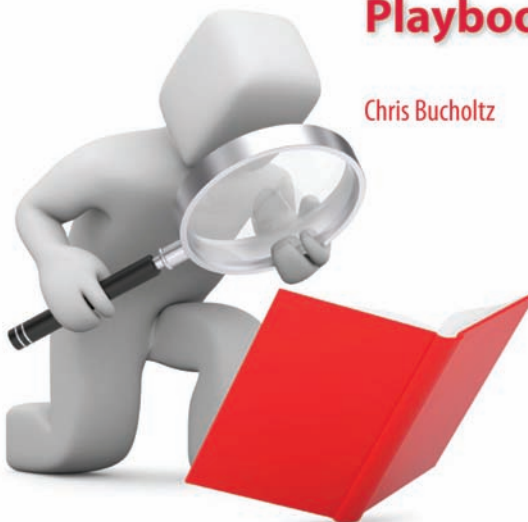
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CRM OUTSIDERS

The Social CRM Playbook

Chris Bucholtz



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Listen Closely



Experts also recommend getting feedback from customers and other employees and monitoring the customer experience firsthand. Rather than simply relying on complaints from customers about how horrific it is to do business with your company, put yourself in the customer's shoes by going through the typical experience, navigating the same menus and prompts, and keeping track of where the pain points surface.



Clean Up the IVR

In the closing keynote of this year's SpeechTEK conference in New York in August, Larson joined Susan Hura, principal consultant at SpeechUsability, a voice user interface design firm, in asserting that people still hate using IVR systems and urged attendees to improve them at all costs.

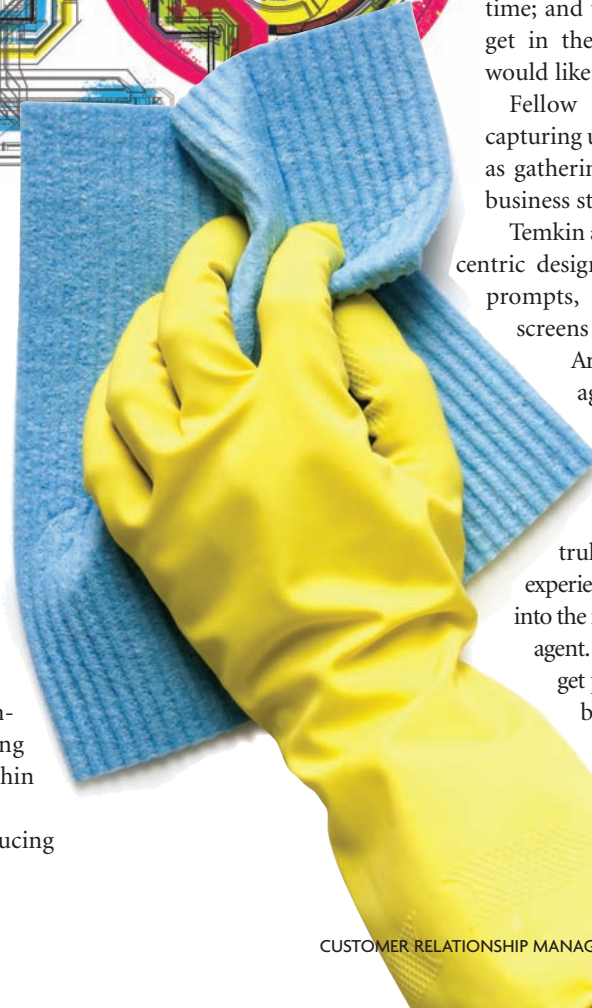
"The current state of the speech industry is not very happy," Hura said. "Speech in the IVR context is not winning rave reviews from the general public. People, by and large, have a negative opinion of this technology."

Larson shared Hura's outlook. "IVRs are giving speech a bad name," he said. "Let's clean them up."

As proof of customer dissatisfaction with IVRs, both speakers cited the growing number of companies that are promising customers they will speak to a live person, rather than an IVR, when they call. In addition, the continuing presence of sites like GetHuman.com is helping consumers bypass IVR menus when they call a customer service line. To get IVRs back on track, Hura outlined a three-part plan:

1. Automate repetitive and time-consuming tasks whenever possible, using speech "where it makes sense and fits within the callers' needs and contexts of use."

2. Make speech work flawlessly by reducing the number of recognition errors.




3. Set the bar higher than just usability in terms of metrics.

Hura defined usability as the ability of the customer to do what the system was designed for, adding that it's "not good enough anymore" as a metric by itself. Instead, she said, applications should solve a real problem for customers; be pleasant; efficient, so they don't waste callers' time; and transparent, so they don't get in the way of what the caller would like to do.

Fellow designers should "make capturing user feedback as important as gathering requirements from the business stakeholders," Hura urged.

Temkin also pushed for more user-centric design, noting that call paths, prompts, scripts, and even menu screens need to be easier to use.

Arussy likes the idea of a more agent-centered design, in which companies look at their best agents and consider what they need to perform optimally. But, to truly improve the customer experience, companies "need to tap into the inner customer within every agent. That is the key motivator to get people to help the customer better," he says. 

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Small Wonders

AS THE STARTUP FAILURE RATE GROWS,
OWNERS STRIVE TO BOOST REVENUE,
MAINTAIN PROFITABILITY, AND ACQUIRE
CUSTOMERS | By Jessica Sebor

“Sugar, sugar! Oh, honey, honey!” lip-synchs a grinning Buddy Valastro in the teaser for the fourth season of TLC’s popular *Cake Boss*. With a booming pastry enterprise, two hit reality shows (*The Next Great Baker* premiered last December), and a *New York Times* bestselling cookbook, the Cake Boss has plenty to smile about. But the business end of Buddy’s bakery wasn’t always so sweet.

As with any small company, Carlo’s Bakery, an establishment Buddy’s father purchased in 1964, has its fair share of logistical headaches. While the pains Valastro’s bakery faces stem largely from rapid growth, many of America’s small businesses struggle just to keep their heads above water.

Life is good for Buddy Valastro, the star of two TLC hit reality shows: Cake Boss and The Next Great Baker. Yet, even though his pastry enterprise, Carlo's Bakery, is hugely successful, Valastro had to surmount a series of logistical hurdles.



SMALL BUT MIGHTY

Despite a hazy economic climate, the U.S. Small Business Administration (SBA) counts more than 6 million small businesses (defined as companies with 500 employees or fewer) in the country, up from 5.6 million in 2000. Brent Leary, cofounder and partner of CRM Essentials, explains this phenomenon: “Many small businesses today were created by necessity. People started businesses because they were laid off or needed to supplement income.” Companies are also easier to create than they were a decade ago. Leary says, “Technology enables people to start businesses at a much lower price point than in the past.”

But easy to create doesn’t mean simple to maintain. Failure rates among small businesses rose by 40 percent between 2007 and 2010, according to data collected by Dun & Bradstreet.

The top three challenges for small businesses are growing revenue, maintaining profitability, and acquiring customers, Leary says. Mindful leaders with the right tools can keep their ships on

defines small businesses as “large businesses with less resources.” While the workforce may be smaller, the stresses and expectations are still the same. As with any business, the bottom line is the top priority.

In the summer of 2010, USA Fact, a California-based employee-screening company, had a revenue stream that had slowed to a trickle. A high nationwide unemployment rate meant there was little need for screenings, and sales were at a standstill. In August 2010, Matthew Davidson, now the company’s CEO, was called in on a rescue mission when the president of the board discovered an unsettling statistic. “The sales team was only closing \$2,000 in revenue per month with 12 people,” Davidson says.

When Davidson and his partner (the current COO) entered the scene, the situation was at a breaking point. “We had to make the decision to either change direction or look for a buyer,” Davidson says. One of the first areas they examined was technology to help power USA Fact’s sales force.

of August 2011, the year-to-date sales had jumped 152 percent from the year-ago total. While the CRM overhaul was the shot in the arm that USA Fact needed, “a daily investment of consistency and integrity” kept the company growing, Davidson says.

CHALLENGE 2: MAINTAINING PROFITABILITY

For many small businesses, staying profitable means striking a balance between cost cutting and investing. Leslie Ament, vice president of Hypatia Research LLC, says, “If companies want to grow, at some point they need to start automating processes and creating consistencies.” However, the questions can get sticky: When? How? By how much? Ament explains, “For companies with up to 25 employees, it’s possible to do everything manually, but this may shift focus away from higher productivity issues. It’s a choice that an organization has to make in alignment with its budget.”

Social Media Link (SML), a young social media management agency,

“Small businesses need a plan of action to get new customers and keep the ones they have. Technology is absolutely critical.”

course to manage those challenges. Ramon Ray, editor and technology evangelist for Smallbiztechnology.com, explains, “Small businesses need a plan of action to get new customers and keep the ones they have. Technology is absolutely critical.”

Here’s how six small businesses made smart plans and nimble investments to make their companies profitable, efficient, growing, and successful.

CHALLENGE 1: REVENUE GROWTH

Michael Fauscette, group vice president of software business solutions for IDC,

Davidson found that the company was running on SugarCRM 6.1 but that the previous leadership “had customized the heck out of the thing with so many features—a drop box for everything.” Davidson knew for his team to be profitable, it needed to be accountable. But accountability required a system that the team could—and would—use.

After streamlining the SugarCRM interface and implementing mobile capability, the company began to improve, posting a 20 percent increase in revenue in the final quarter of 2010. As

recently faced such a choice. Composed of only four employees, the agency was well under Ament’s 25-person threshold. With offices in both Minneapolis and Chicago, SML needed a streamlined approach to information sharing.

A tight budget for tech investment forced the agency to share one license to High Rise CRM among all four employees. At \$50 a month per user, SML couldn’t afford to upgrade, but the common login created confusion. “We couldn’t see who was making which updates to the system,” co-president Daniel Pesis explains.

For many small businesses, staying profitable means striking a balance between cost cutting and investing.

Pesis's company switched in July 2011 to Nimble because of its zero-dollar price tag. "We did our research, but in the end, there was no reason not to try something that was free, and we loved it." SML now uses Nimble's contact management features to interact with vendors and track leads, a function that Pesis says was eye-opening.

"When we first migrated our contacts into the system, we saw leads that we hadn't followed up with for a whole year. That transparency is really invaluable," Pesis notes. The switch to Nimble's free, easy-to-use tools was ideal for SML this year, but Pesis says that if the company ever outgrows the functionality, he's happy to pay up: "If we paid a little bit a month for a lot more service, I don't see why we wouldn't upgrade. But we're always looking to manage costs. I think every startup is."

For companies with more advanced needs, a free solution may not be practical. Analysts note that some low-cost solutions are available (see "The Short List" at right for more information).

In a similar scenario, ArcSource, a 12-year-old company with 15 employees, no longer could afford its Salesforce.com subscription. So ArcSource switched to Zoho CRM for one-sixth of the price, which in turn allowed the company to add subscribers, improve customer tracking, and free up budgetary spending for more features, including invoicing, project managing, and direct marketing tools. David Monk, CEO of ArcSource, estimates that his company's invoice creation time diminished by 75 percent, and it has seen a \$120,000 return on a \$1,000 direct-mail campaign.

CHALLENGE 3: CUSTOMER ACQUISITION

The word "marketing" is often a source of pain and frustration for small businesses. It's no secret that potentially successful companies fail if no one knows about their offerings. But companies that have few resources struggle to get the word out. Marketing campaigns exact a heavy cost in both time and money. By the same token, taking advantage of new technology can be a boon to business.

Axicom, a managed service provider with five employees and two outside contractors, has proven that something as simple as email can make a substantial impact on customer acquisition. The company began to use Constant Contact, an email marketing software provider, in 2005 to help engage with prospective and current clients. "Printed marketing materials were not cost-effective," explains Christa Nonnemaker, co-owner and COO. "But email was an affordable option."

In six years, the company has been able to grow its business, while keeping afloat through a tough economy that caused some of Axicom's customers to fold. Nonnemaker says, "Our marketing has definitely benefited our bottom line."

Axicom now uses Constant Contact's event-marketing module to create educational events to attract new business while integrating with its social media presence. After the monthly newsletter is distributed, Axicom sees a measurable increase in both Web site visits and telephone calls.

In the past decade, the social media explosion also has led to numerous new ways for companies to interact with customers. While Facebook, Twitter, LinkedIn, and blogs all are effective ways to gain online traction, return on investment can be difficult to measure. IDC's Fauscette says that real value lies in "the ability to take available social information and analyze it so you can build a richer profile of your customer." While "social-itics" solutions are in the early stages, small companies are poised to take advantage with high levels of freedom in terms of adoption and compliance.

The Short List

We asked five small-business experts for their picks for top-performing vendors. Here are 10 names for small-business owners to put on their radar.

- HubSpot
- Infusionsoft
- Microsoft 365
- Zoho
- Batch Blue
- Google
- Radian6
- Nimble
- Constant Contact
- Zendesk

The file-sharing service YouSendIt adopted the socialytics solution Radian6 to get a better handle on social media efforts. “Beforehand, we had a strong following on Facebook, but we were blindly posting,” explains Katie Ball, corporate communications associate for YouSendIt. With Radian6, the company can listen to customers while tracking the impact of its

own posted content across the Web.

CRM Essentials’ Leary explains that when it comes to social media, potential customers want a two-way conversation. He says, “If you try to create content that answers challenges, then you’re using that tool effectively.” YouSendIt uses Radian6 in alignment with Leary’s suggestion, and the file-sharing service has

been able to acquire and retain customers in a proactive way. Ball says, “We’re able to reach out to them and say, ‘How can we help you?’ We’ve gotten a really positive response from that.”

CHALLENGE 4: GROWING PAINS

Growing pains are what many small-business owners would call a “good problem.”

Just Desserts

Buddy Valastro, star of TLC’s *Cake Boss* and owner of Carlo’s Bakery, sat down with *CRM* magazine’s Brittany Farb to talk about how his choice to implement Avaya IP Office 7.0 spelled sweet satisfaction for his small business.



CRM: What made Avaya stand out?

Buddy Valastro: I really liked the fact that they were willing to go the extra mile, look at the business as a whole, and try to recommend solutions. They sold me something that grows. In five or 10 years, I could have 20 bakeries all linked up to the [original] bakery.

CRM: Have there been any surprises during the implementation?

BV: There are always surprises along the way. But they’ve been spot on with everything. They help me build our network. I’m going to have a handheld

Buddy Valastro shows off his “technology cake” during a recent Avaya event (top). Chocolate molding and cereal treats were mixed with electronic components to create an IP Office communications system (bottom left and center). The Cake Boss held a video chat with an Avaya executive using the technology cake’s videoconferencing monitor (bottom right).



But the ability to keep pace is a real issue.

Valastro and his team at Carlo's Bakery have been lucky enough to experience such pains. Carlo's Bakery was profitable in 2008, but in April 2009, when the first episode of *Cake Boss* aired, the bakery soon became a sensation. The popularity required expansion in both physical space and brand scope. In addition, Valastro, a

self-proclaimed "controlling person" when it comes to his bakery, had to spend much of his time traveling for consulting work, appearances, and meetings.

"They were having an extreme challenge keeping up with the amount of businesses and people trying to communicate with them," explains Jeff Bloom, SME channel account manager at

telecommunications provider Avaya. The bakery's phones were ringing constantly, and with only six analog lines to support high volume, potential business often was lost because of busy signals.

When Valastro decided to expand to a second office in Jersey City, he knew he needed to upgrade his phone system. Valastro was sold on Avaya IP Office 7.0 because of its ability to ease communication between himself and his two sites, coupled with the flexibility to expand. After the roughly 10-day implementation, the sites were able to communicate efficiently with a four-digit dial, and a one-number caller ID made for clean external communication. Customers were able to reach the bakery even during peak call times, and employees were no longer chained to their desks, waiting for an available line to ring.

From Valastro's perspective, he now has the flexibility to manage his business closely, even from afar. "[I'm] able to listen in to make sure everyone's doing their part," he says. "Because I'm such a mobile guy, being able to take all of the capabilities of what's on my desk and being able to connect to it anywhere in the world is a pretty great thing." What's more, the communications system could be expanded, just like Buddy's business, with all future bakeries linking up to the original Carlo's Bakery.

phone in Jersey City [that can take a phone call from] Carlo's [in Hoboken] and be able to answer it. That's pretty crazy. I'm going to have another office phone duplicated at my house, so, from home, I'm going to have the same exact capabilities as I do at the office.

CRM: You're always going to be at work.

BV: I already am. So I might as well have it at my fingertips.


CRM: Do you have plans for other solutions?

BV: We're definitely going to be doing a lot of different things. And, as the business grows, I'm sure the technology is going to grow. They're a committed partner, and we both want to get this right. I'm glad they're seeing the potential of small to medium-sized businesses, because I really think that we are the backbone of America. And I think that if our businesses do well, the economy will go right back on track.

CRM: What advice do you have for other small-business owners?

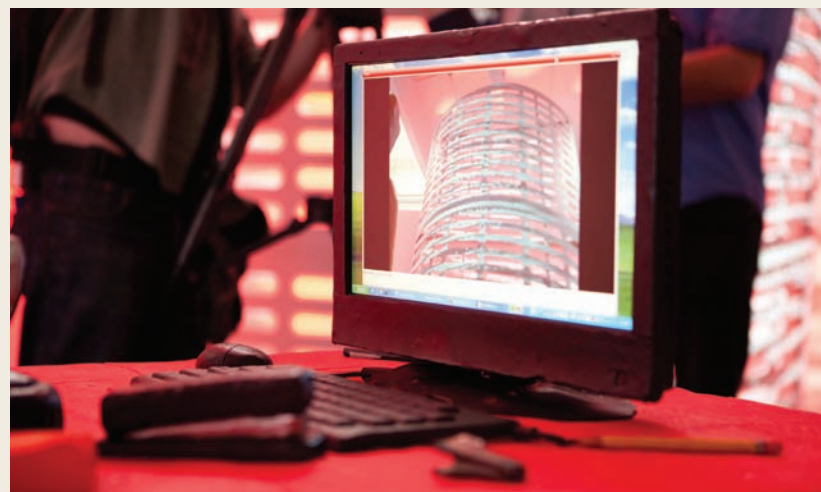
BV: You cannot be afraid of technology. You have to be willing to let go...[and] to try new things. That was very hard for me. I was there making 90 percent of those cakes that went out of Carlo's Bakery with my two hands. For me to be able to expand the way I am expanding meant relinquishing a lot of control. But with technology and being able to check in and understand, it's well worth it.

MAKING IT BIG

Avaya's Bloom says, "Buddy's a great example because he's on TV and everybody recognizes him, but he faces the same challenges as any small business." As Carlo's Bakery has proven, as rocky as the path for small business may be, success is attainable. Hard work, backed by intelligent high-technology investments, can produce sweet rewards. Valastro says, "If you put your heart into something, you can make it happen, and I'm living proof of it." 

—Additional reporting by Brittany Farb.

To contact the editors, please email editor@destinationCRM.com.







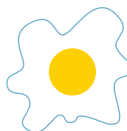
DON'T LET A CRISIS DESTROY YOUR IMAGE

*The right damage control recipe
can restore confidence in your brand*

WHEN THE INFAMOUS TYLENOL murders hit Chicago in 1982, Johnson & Johnson quickly jumped into crisis management mode. And understandably so. Seven people died suddenly after taking extra strength Tylenol capsules that had been contaminated with potassium cyanide. The case remains unsolved, and no suspects have been charged with the murders. Johnson & Johnson even offered a \$100,000 reward, but it has never been claimed.

BY BRITTANY FARB





Despite this terrifying incident, to this day millions of people around the globe continue to pop Tylenol every day, without thinking twice, to relieve their aches and pains. A lot of credit has been given to Johnson & Johnson crisis management. Media outlets praised the drug company for its swift and honest communication during the crisis. In addition, Johnson & Johnson collaborated with the Chicago Police Department, the FBI, and the Food and Drug Administration during the investigation. Although the drug company's market share would collapse from 35 percent to 8 percent that year, Johnson & Johnson rebounded quickly, and Tylenol would become the most popular over-the-counter pain medication in the United States.

Johnson & Johnson's swift action is a paradigm in the crisis communication field. However, with the

“You have to act quickly. The longer you draw out one of these crises and let it drag on, the weaker you get.”

growing popularity of social media, the approach dramatically changes the damage control. “We live in the world of real time,” explains Michael Fauscette, group vice president of software business solutions at IDC. “The expectations are much faster than they would have been in a world with no social Web. You have to be prepared with an emergency response plan that can be quickly put into place.”

“You have to be very attentive to what's happening,” David Gergen, senior political analyst for CNN and former adviser to four U.S. presidents, told *CRM* magazine. “You have to act quickly. The longer you draw out one of these crises and let it drag on, the weaker you get.”

DOMINO'S GOES VIRAL

One of the biggest fears marketers have of social media is that it can foster a sudden and widespread attack on their brand. For Domino's Pizza, that fear was realized in April 2009, when two rogue employees from a Conover, N.C., franchise posted a revolting YouTube video of one of them intentionally tainting food that supposedly was going to be served. The video went viral, and the company's brand had been attacked

overnight. However, the lesson for marketers is not how severely the company's image was damaged, but how the company responded. This set a new standard for crisis management in today's socially connected world.

The company's response to the viral video didn't start off well, though. Actually, Domino's Pizza didn't respond within the first 24 hours of the offending YouTube post, an omission that proved to be a critical mistake. With Twitter and Facebook users sharing the video, it received more than 700,000 hits on day one. In fact, a national study by HCD Research revealed that 65 percent of respondents who would previously visit or order Domino's Pizza were less likely to do so after viewing the offensive YouTube video.

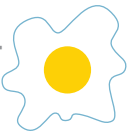
Clearly, Domino's had to act. Its response came a few days after the YouTube posting, as the company met the miscreants on their own turf with a YouTube video response from CEO Patrick Doyle. In it, he apologized for the incident, thanked the online community for bringing it to the company's attention, chastised the now-former employees, and outlined steps that Domino's was taking to deal with the issue. One such step was to temporarily shutter the restaurant so it could be sanitized. All of those steps are essential to an effective crisis management response.

The company didn't stop there. In an effort to make the food production process more transparent, the company rolled out the Domino's Pizza Tracker, enabling customers to place their orders online and track them. Customers are even told exactly when their pizza is put into the oven.

“If you look at what happened with Domino's viral video that went out, they were very open and have done things in a much more open manner,” explains Brent Leary, cofounder and partner of CRM Essentials. “Part of their marketing campaign is open and transparent with being able to show actual people and telling us what they are responsible for.”

The company also invested in prime Times Square real estate in New York City, allowing customers to submit feedback that is broadcast in real time on its billboard. Domino's features a real-time video of the billboard on its Web site. “People were refreshed with the whole idea of having a rolling list of user comments in such a public fashion,” Leary says.

The campaign seems to be working. According to Bloomberg Businessweek, Domino's reported second-quarter 2011 earnings of 42 cents per share



(excluding some items), beating the average analyst estimate by 22 percent. In addition, Zacks Investment Research reported that total revenue increased by 6.2 percent year over year, to \$384.9 million.

SOUTHWEST'S CRACK UNDER PRESSURE

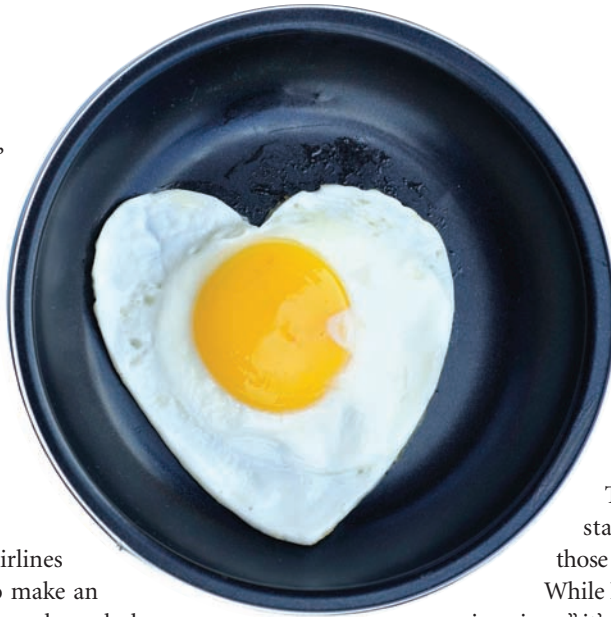
In April, Southwest Airlines flight 812 was forced to make an emergency landing after a large hole developed in the plane's fuselage, dropping the cabin pressure. The flight from Phoenix never made it to its final destination, Sacramento, and several of the 118 passengers on board snapped photos and videos on their cell phones of the frightening malfunction. Unfortunately for Southwest, that was not an isolated incident. The airline went on to cancel about 300 flights and grounded 79 planes for an "aggressive inspection effort in cooperation with Boeing engineers." In addition, the airline updated its social media channels, informing fans and followers about the investigation.

"Anytime we have a crisis, it is essential that we communicate as quickly as possible," says Brandy King, a spokeswoman for Southwest Airlines.

The airline relies on a crisis template to "fill in the pertinent details" after updates become available, she says. The template provides such basic information as the number of passengers on a flight, the type of aircraft involved, the arrival and departure times, and a toll-free phone number that people could call for more information. All of that data would help to build other documents, most commonly a press release. The template also would instruct the media on how to reach the airlines, as well as provide a link to a Web site that Southwest would use to post updates on a given crisis.

"We have something that goes out immediately," King says, "and then follow-up details as a situation unfolds."

In addition, King describes "a pretty hefty crisis manual" that defines Southwest policies and procedures in



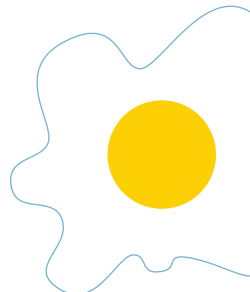
the event of an airplane accident. "That can include an aircraft overshooting a runway," she says, citing one of the scenarios covered by the manual. In addition, less serious events, such as an airport closing or severe weather, are covered. This book "provides a starting point to address those situations," King notes.

While King says "each situation is unique," it's essential to be as "transparent as possible" while taking care of customers. "We are an airplane service, but the customer comes first," she notes.

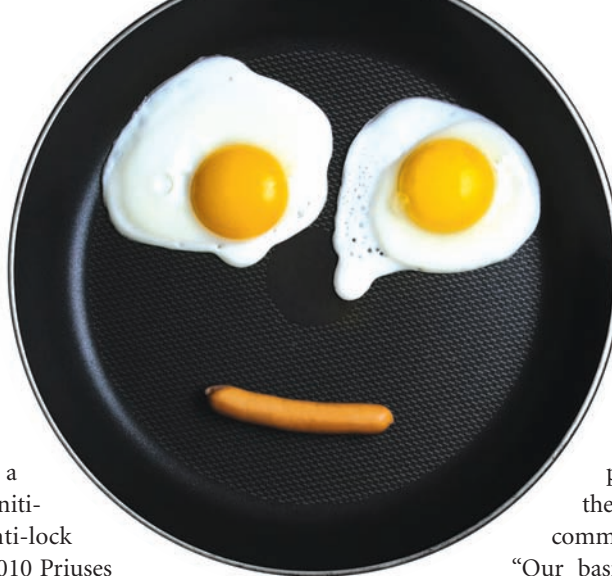
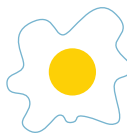
"The way they handled that [the hole in the fuselage incident] was kind of textbook, and people really appreciated their rapid response at the time," Leary says. "They were also viewed as a company that was open and transparent about things. I think that plays a big part in how a misstep played out. If you have the right kind of approach to a misstep, being open, being honest, being transparent about it, people respect that a lot more than trying to cover up a misstep."

TOYOTA RECALL

By February 2010, product recalls significantly hampered Toyota's sales and reputation. The largest recall, which affected 5.2 million cars, was due to out-of-place driver-side floor mats, which could entrap foot pedals. An additional 2.3 million vehicles in the United States were recalled for sticking accelerator pedals, as well as 1.8 million vehicles in Europe and 75,000 in China. According to reports, certain accelerator pedals had the potential to become "harder to depress or slower to return to the closed position" as



"If you have the right kind of approach to a misstep, being open, being honest, being transparent about it, people respect that a lot more than trying to cover up a misstep."



well as “become stuck in a partially depressed position.” Finally, a smaller recall was initiated for hybrid anti-lock brake software in 2010 Priuses as well as Lexus HS250h hybrid vehicles, which affected roughly 150,000 Toyota owners in the U.S. Still, mounting pressure from the U.S. Department of Transportation, the U.S. National Highway Traffic Safety Administration, and the media forced Toyota to recall more than 9 million vehicles worldwide.

The bad publicity naturally sparked consumer concern, and Toyota’s brand took a significant blow. After the recalls, a *USA Today*/Gallup Poll maintained that 31 percent of respondents claim it is unsafe to be in a Toyota or Lexus.

What could Toyota have done differently? Some maintain the company was too slow to react. When


Government Reform, the president and CEO of Toyota, Akio Toyoda, expressed remorse for letting the company’s growth cloud its commitment to safety. He added, “Our basic stance to listen to customers’ voices to make better products has weakened somewhat.... I regret that this has resulted in the safety issues described in the recalls we face today, and I am deeply sorry for any accidents that Toyota drivers have experienced.”

Additionally, Toyoda, who is the grandson of the founder, reaffirmed his commitment to safety and his plan to manage quality control.

However, despite Toyota’s efforts, Fauscette still harbors negative feelings about Toyota’s response. “Frankly I feel this way because it seemed like they were trying to cover something up,” he says. “As long as you leave people with a feeling like you are trying to hide something, then they are going to believe you are trying to hide something. That’s an easy thing to believe about a corporation because we are kind of conditioned to think, ‘perhaps they are hiding something.’”

However, some suggest that Toyota’s brand is strong enough to withstand the mistakes associated with the recalls. Al Ries, chairman of Ries & Ries, an Atlanta-based marketing strategy firm, wrote in an AdAge blog, “Will Toyota ever regain its leadership perception in consumers’ minds? I’m not convinced that Toyota has ever lost it. To many consumers, the unintended acceleration and the other problems were ‘just one of those things that could happen to any brand.’”

He cites people who have strong personal brands and suffered a public setback from their transgressions—Bill Clinton, Tiger Woods, and Martha Stewart. However, they managed to bounce back. “PR is extremely effective in building a brand. But once a brand is built, PR has little effect on a brand’s long-term position.... Bad news won’t kill a good brand. Nor, unfortunately, will good news resurrect a bad brand. Once a brand is strongly entrenched in the mind, it seems to resist change, either good or bad.”

While this theory has proven true for some celebrities, it’s probably not worth testing on your company’s brand—unless, of course, you have no choice. 

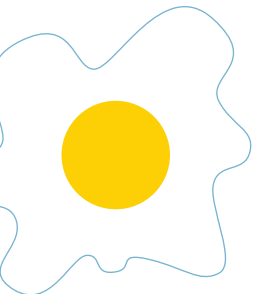
—Additional reporting by Greg Lupion and David Myron

When public safety is involved, it’s imperative to “come clean, come clean fast, come clean as openly as you can.”

public safety is involved, it’s imperative to “come clean, come clean fast, come clean as openly as you can,” Fauscette says. “No matter what it is, having a very immediate response and being very open and very public about your response is very important, but when public safety is involved, it’s even more important.”

“You have to look at the customer who might really be seriously worried or have a reason to worry about the safety issue; then you actually have to market directly to them,” adds Kimberly Collins, a Gartner analyst specializing in CRM. “So you do have to take a little bit different of an approach. It just depends on if it’s something that has a broad or specific impact to an individual and determine how to address these things.”

Eventually, Toyota temporarily suspended sales of models affected by the acceleration pedal recall. It also launched a television ad campaign, promoting its commitment to safety. And, in a prepared statement presented to the House Committee on Oversight and





Refer-a-Friend Program at Root of Big Hair Growth

Folica partners with Extole to drive customer advocacy

Folica Inc., a purveyor of hair products, prides itself on customer satisfaction. When the online retailer was looking for a marketing solution to encourage customer advocacy, it enlisted Extole to help launch a refer-a-friend program to drive sales.

"A refer-a-friend program revolves around offering your friend a special deal; a program won't be successful if that friend can get the same deal just by going to the Web site home page," explains Greg Brown, chief revenue officer at Extole. "We, therefore, had to come up with an offer structure that was rich enough to encourage current customers

to share Folica with their friends and would not be dwarfed by other daily deals advertised on the site."

Jessica Bohm, director of marketing at Folica, recalls, "Prior to our Extole partnership, we were looking for ways to reward customers who shared Folica with their friends. Many of our customers state in their product reviews that they purchased Folica products because of referrals. We needed to find a way to encourage our advocates to continue to grow our brand awareness organically."

Extole offered a "turnkey full-service solution that was cost-effective," Bohm points out. The promotional program

was advertised to Folica's 850,000 email newsletter subscribers as well as on all of the company's Web site pages. "Make it easy for your customers to share your brand," Bohm recommends. "Provide compelling offers or opportunities in a format that is super-easy for a user to spread the word."

She continues, "Going into the project, we expected that our customers would slowly join the program. We understood that it would take some time to find our most productive referrers that would take the program to the next level." However, Folica has quickly seen significant results. Within the first 30 days, Folica had a 16

percent conversion rate—meaning 16 percent of people clicking on a friend's link or post went on to make a purchase—which constituted a 433 percent increase from the 3 percent norm. In addition, Folica reports a 5.5 percent open rate of its emails promoting the program, a 93 percent open rate from customers sending emails to friends, and with a 22 percent click-through rate on those emails. Folica's goal, Bohm says, is to generate 1 percent to 2 percent incremental revenue through the refer-a-friend program by the holiday shopping season.

Folica's partnership with Extole will continue beyond the initial build of the campaign. "Extole facilitates monitoring, tracking, and analysis of the data coming in through the program," Brown says. "In biweekly meetings with Folica, we work together to optimize the campaign to achieve peak results."

Brown adds that Extole provides a "proven and fully hosted solution," rather than merely a new referral program. "Truly plug-and-play from design to fulfillment," he says.

Folica also plans to test offline refer-a-friend promotions to reach additional audiences, as well as implement in-line sharing, one of Extole's new product features, in the next couple of months. "This is a lighter sharing experience that keeps a customer on the Folica Web site, so it will be beneficial in facilitating further time on the Folica site along with increasing referrals with the simpler user flow," Brown says. "We will also be moving Folica toward a user flow that will deliver the coupon code to the friend via email as well, so customers can save the coupon code to use at a later date." —Brittany Farb

the payoff

SINCE PARTNERING WITH EXTOLE, FOLICA HAS:

- advertised its refer-a-friend program to its **850,000** email newsletter subscribers;
- generated a **16 percent** conversion rate;
- attained a **5.5 percent** open rate of its emails promoting the program; and
- achieved a **93 percent** open rate from customers sending emails on the program to their friends with a **22 percent** click-through rate on those emails.

IVR Investment Pays Off at Australian Bank

Westpac Group installs Holly Connects platform to end service woes

Established in 1817 as the Bank of New South Wales, the Westpac Group has a portfolio of financial services, brands, and businesses throughout Australia, New Zealand, and the Pacific region. The numbers are staggering: 39,000 employees staff more than 850 branch offices with nearly 1,900 ATMs that serve 11.8 million customers.

With global assets of \$618 billion, Australia's oldest bank has six call centers staffed by about 500 agents, who handle 120,000 calls daily while providing email and Internet support.

Roughly two years ago, the bank committed to "doing things differently," and that meant playing a more active role in local communities and organizing business around customers, rather than the corporate office. Called Westpac Local, the initiative was designed to change the face of banking in Australia.

When Westpac began to see a dramatic increase in customer complaints a few years ago, the bank created the Zero Tolerance for Customer Failure program to address systemic issues. Part of the effort centered on listening and responding to a widespread customer concern: exception fees. Westpac reduced those fees across the board on credit card, savings, and transaction accounts. Just 12 months after the program began, the bank reduced the average monthly complaints by more than 50 percent.

However, while Westpac has strived to keep its business fresh and vibrant, the customer service systems in the company's contact centers were not keeping pace. They were showing their age, according to Sam Jackel, project director for contact center transformation at Westpac. Callers used to take 90 seconds, on average, to navigate the touchtone system and another four to five minutes to reach someone for help. Nearly 30 percent of the calls were misdirected.

Prompted by customer service issues like those, Westpac made wholesale changes, with an eye toward automation.

In February 2010, the company began a full systems upgrade. It took about nine months to build and deploy an IVR system based on the Holly Connects platform from West Interactive and voice recognition technologies from Nuance Communications. The system, which took its first call in November 2010, incorporates call routing; voice biometrics; at-home agents; an integrated desktop program; and call quality monitoring, scoring, and reporting tools.

Before going live, however, Westpac turned to Cyara Solutions to put the system through its paces. The Australia-based provider of automated technologies for the simulation, testing, and monitoring of IVR, voice biometrics, outbound dialer, and voice-callback systems performed three types of testing:

- regression, in which every call pathway and menu is checked;
- load, which involves stretching the speech system to its limit to see whether it can handle call spikes; and
- functional, which determines how well the system does what it's supposed to do.

"We threw utterances into the Cyara system to see if they got routed properly," Jackel says. "And they did."

After testing was completed, Westpac piloted the solution for a few months in a few smaller sites in the Queensland area prior to a full rollout.

Testing, while thorough, was not the hardest part. "Our biggest challenge was with our stakeholders," Jackel recalls. "We reconfigured the way speech systems are built in Australia."

The project involved moving parts: reengineering more than 200 business processes at contact centers, redesigning the screens, supporting front- and back-office processes for the call center

desktop applications, restructuring the Westpac IVR menu structure and prompt wording, and expanding the services available.

Jackel says, "The things we are doing are having a positive impact on customer satisfaction and advocacy."

Among the most impressive results, Westpac reduced the rate of misdirected calls to 4 percent from 30 percent. Callers are transferred within 13.5 seconds to the department best suited to answer their questions. Eighty percent of calls are handled exclusively by the automated system.

In addition, 79 percent of callers successfully exit the system after their first request, and in 97 percent of the cases, the information previously given to the speech system flows correctly to the agent prior to her picking up the phone.

From a customer perspective, operational response times and service have improved markedly. About 96 percent of customer inquiries to call centers are resolved on the first attempt.

"Customer satisfaction is extremely strong, return on investment and documented business benefits are ahead of target, and I think the results being

delivered here are at the forefront of performance globally," Jackel says.

The current IVR supports fund transfers, bill payments, and balance inquiries, but Jackel is confident that it also can handle more complex transactions. Westpac plans to automate other customer activities, starting with a branch and ATM locator, credit card activation, and address change. "These are the types of transactions that you can do online or with an agent, but we think there's a stronger payback with automation," Jackel says. —*Leonard Klie*

the payoff

SINCE INSTALLING THE HOLLY CONNECTS IVR SYSTEM, WESTPAC HAS SEEN:

- misdirected calls reduced to a 4 percent rate from 30 percent;
- call transfer times shrink to 13.5 seconds from four to five minutes;
- the automated system exclusively handle 80 percent of calls;
- callers successfully exit the system 79 percent of the time after their first request;
- information previously given to the speech system flow correctly to the agent prior to her picking up the phone 97 percent of the time; and
- customer inquiries resolved on the first attempt 96 percent of the time.

UNITED STATES POSTAL SERVICE STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

1. Publication Title: CRM. 2. Publication No. 17233 3. Filing Date: 10/1/2011. 4. Issue Frequency: Monthly with a combined November/December Issue 5. No. of issues published annually: 11. 6. Annual Subscription Price: 0. 7. Complete Mailing Address of Known Office of Publication: Information Today, Inc., 143 Old Marlton Pike, Medford, Burlington County, NJ 08055. 8. Complete Mailing Address of the Headquarters of General Business Office of the Publisher: Information Today, Inc., 143 Old Marlton Pike, Medford, Burlington County, NJ 08055. 9. Full Names and Complete Mailing Addresses of Publisher, Editor, and Managing Editor: Publisher: Bob Fernekees, CRM Magazine, 237 West 35th Street, 14th Floor, New York, NY 10001-2509. Editor: David Myron, CRM Magazine, 237 West 35th Street, 14th Floor, New York, NY 10001-2509; Managing Editor: Greg Lupion, CRM Magazine, 237 West 35th Street, 14th Floor, New York, NY 10001-2509. 10. Owner: Information Today, Inc., 143 Old Marlton Pike, Medford, NJ 08055, Thomas H. Hogan, Sr., 143 Old Marlton Pike, Medford, NJ 08055, Roger Bilboul, 22 Earls Terrace, London W8 6LP, England, CRM Media, LLC, 143 Old Marlton Pike, Medford, NJ 08055 11. Known Bondholders, Mortgagees, and Other Security Holders Owning or Holding 1 percent or More of Total Amount of Bonds, Mortgages or Other Securities (If none, check box): None. 12. Has Not Changed. 13. Publication Title: CRM. 14. Issue Date for Circulation Data Below: September 2011. 15. Extent and Nature of Circulation: a. Total Number of Copies (Net press run): Average No. Copies Each Issue During Preceding 12 Months, 78712; No. Copies of Single Issue Published Nearest to Filing Date, 72287. b. Paid and/or Requested Distribution. (1) Outside-County Paid/Requested Mail Subscriptions Stated on Form 3541 (Include direct written request from recipient, telemarketing and Internet requests from recipient, paid subscriptions including nominal rate subscriptions, employer requests, advertiser's proof copies, and exchange copies.): Average No. Copies Each Issue During Preceding 12 Months, 62506; No. Copies of Single Issue Published Nearest to Filing Date, 52091. (2) In-County Mail Paid/Requested Subscriptions Stated on Form 3541 (Include direct written request from recipient, telemarketing and Internet requests from recipient, paid subscriptions including nominal rate subscriptions, employer requests, advertiser's proof copies, and exchange copies.): Average No. Copies Each Issue During Preceding 12 Months, 0; No. Copies of Single Issue Published Nearest to Filing Date, 0. (3) Sales Through Dealers and Carriers, Street Vendors, Counter Sales, and Other Non-USPS Paid Distribution: Average No. Copies Each Issue During Preceding 12 Months, 0; No. Copies of Single Issue Published Nearest to Filing Date, 0. (4) Requested Copies Distributed Through the USPS (e.g. First Class Mail): Average No. Copies Each Issue During Preceding 12 Months, 0; No. Copies of Single Issue Published Nearest to Filing Date, 0. c. Total Paid and/or Requested Circulation (Sum of 15b(1), (2), (3), and (4)): Average No. Copies Each Issue During Preceding 12 Months, 62506; No. Copies of Single Issue Published Nearest to Filing Date, 52091. d. Non requested Distribution (By Mail and Outside the Mail) (1) Outside County Nonrequested Copies stated on PS Form 3541. (Include Sample copies, Requests Over 3 years old. Requests induced by a Premium, Bulk Sales and Requests including Association Requests, Names obtained from Business Directories, Lists, and other sources): Average No. Copies Each Issue During Preceding 12 Months, 15615; No. Copies of Single Issue Published Nearest to Filing Date, 19949; (2) In-County Nonrequested Copies Stated in Form 3541 (include sample copies, Requests Over 3 years old, Requests induced by a Premium, Bulk Sales and Requests including Association Requests, Names obtained from Business Directories, Lists, and other sources): Average No. Copies Each Issue During Preceding 12 Months, 0; No. Copies of Single Issue Published Nearest to Filing Date, 0. 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Copies not Distributed: Average No. Copies Each Issue During Preceding 12 Months, 200; No. Copies of Single Issue Published Nearest to Filing Date, 222. h. Total (Sum of 15f and g): Average No. Copies Each Issue During Preceding 12 Months, 78712; No. Copies of Single Issue Published Nearest to Filing Date, 72287. i. Percent Paid and/or Requested Circulation (15c divided by f times 100): Average No. Copies Each Issue During Preceding 12 Months, 79.61%; Actual No. Copies of Single Issue Published Nearest to Filing Date, 72.28%. 16. Publication of Statement of Ownership for a requestor publication is required and will be printed in the November 2010 issue of this publication. 17. Signature and Title of Editor, Publisher, Business Manager or Owner: John C. Yersak, VP & CAO. Date: 10/1/11. I certify that all the information furnished on this form is true and complete. 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Customer Experience Blueprint Drives B2B

Determine the needs of customers and their value to the organization

IN B2C industries, a positive service experience helps you keep and acquire customers, providing a competitive edge. But customer experience management (CXM) is critical in B2B industries as well. CXM is just emerging as a formal program in most B2B companies, and many of those organizations are just getting acquainted with the concept.

With customer service expectations rising, a differentiated experience not only can enhance a company's brand, but it also can lead to premium service for top-tier customers. Research shows that companies can boost customer retention, reduce support costs, and expand their customer base by providing such differentiated treatment.

Most B2B companies provide a disparate and disaggregated experience across the customer life cycle of marketing, sales, and service. For example, a company may fail to integrate the service organization into a product introduction, resulting in service professionals' not knowing of a launch until they receive customer calls asking about it.

Often companies try to spread service across all customers equally, in a one-size-fits-all model, in which servicing a \$5,000 order costs the same as servicing a \$5 million order. Top-tier customers receive the same experience as those who generate only a fraction of that revenue.

And, when service is spread too thinly, the entire customer experience suffers.

While tailoring and optimizing service may be desirable, actually doing so can be challenging. It is difficult to know,

for example, who should get what service treatment, because many companies cannot determine the value of different customers now as compared with in the future.

Even when companies know the current and future value of specific customers, it is expensive to create tailored service. Often, companies can't tailor services because they don't have a customer experience design and haven't done the research and analysis to tailor the experience.

Despite those challenges, some B2B enterprises are moving aggressively toward a tailored customer experience. Through an experience blueprint, they are customizing and optimizing the experience to mirror both the needs of customers and their value to organizations.


These companies have used a well-established, customer-centric approach to customer experience design and implementation, typically incorporating three steps:

1. Global Operating Model Review. A company must understand the current customer experience and how equipped it is to offer a tailored treatment strategy. A review of the global operating model and go-to-market strategies from marketing, sales, and service is required. By looking at all of the inputs and outputs, the company can gain detailed insight into what services it provides, how well it provides them, the challenges it faces, and how well it is organized to provide services.

2. Understanding Customer Needs and Intentions. Second, develop a detailed understanding of customer needs and intentions, as well as how each customer experiences the company across its life cycle. That requires assessing the current customer experience across all segments, interactions, and communications channels to determine the needs for any one segment.

In conducting this analysis, a company must consider the customer's experience from the customer's own perspective, using voice of the customer data and customer feedback obtained through monitoring interactions. The company can identify the "moments of truth," or points in the customer experience that could enhance or weaken the customer's perception of the company.

3. Building a Blueprint and Operational Road Map. Determine how the company should provide the customer experience. That means identifying which functional capabilities must be delivered through specific channels (Web, voice, email); how those capabilities should be provided; and what service factors are relevant to match expectations. The blueprint provides a treatment model for all customer segments across all interaction channels. The blueprint should map available resources against the most critical service needs and expectations of customers.

A customer experience blueprint can help deliver superior customer satisfaction and retention and lower the costs of service. Not having one could lead to an experience that negatively reflects on the company and its brand. 

Michael Flodin is the global lead for Accenture's Customer Relationship Management Service Operations Group, which focuses on contact center operations and customer experience. Dwayne Norton, who has more than 25 years of industry and consulting experience in customer relationship management, is the North American specialty lead for CRM Service Transformation—Service Operations and Analytics.



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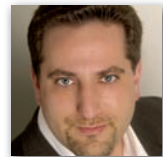
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Social Everything Comes of Age

Enterprise 2.0 and social CRM form the core of social business

ABOUT FIVE YEARS AGO, we set out to define what we called CRM 2.0. We set up a wiki and enlisted about 300 leading lights in the CRM world—from CEOs and influencers to analysts and journalists to practitioners, all working together to formulate a common definition. In 2009, we began to call it social CRM, and it was established as part of mainstream discussions. Nevertheless, the strategy remains an immature set of practices.

Because social CRM is still in the pilot stage, industry naysayers occasionally declare that it is dead. Well, that would make social CRM a stillbirth if you were to take these folks seriously. I don't, and what they are saying is not even that interesting.

transact with, and influence each other through social media interfaces.”

IBM offers the following definition:

“A business that embraces networks of people to create business value.... Social businesses more fully integrate the collective knowledge of people-centric networks to accelerate decision-making, strengthen business processes, and increase innovation that matters.”

The combined definition of social business underscores perfectly what a 21st-century business needs to consider: how to use the intelligence and skills of the work force, the company's customers, partners, and vendors—what I call the collaborative value chain—to optimize the ultimate benefits to both. In the case of a business, that means optimizing the distribution and growth of knowledge that leads to insight and innovation through the engagement (a.k.a., direct involvement) of these distinct elements.

Social CRM and Enterprise 2.0 are the core elements of a social business, but they have distinct purposes. The distinctions are simple. Enterprise 2.0 revolves around internal collaboration; it's a platform that provides the work force with the means to share information in ways that enhance the overall effectiveness of the

ENTERPRISE 2.0 REVOLVES AROUND INTERNAL COLLABORATION, WHILE SOCIAL CRM CENTERS ON ENGAGING WITH CUSTOMERS.

What is interesting is what they are attempting to substitute for the newly buried social CRM. It's been social business, customer experience management, social media, and other early-development initiatives that are driving 21st-century industry, including new business models.

So, rather than respond to the silly declarations of social CRM's death, I will show you the differences among all of these imperatives to erase confusion about the terms. Unless you are an irrepressible ideologue, this will show you what these are—and the common denominator is that they are *not* substitutes for social CRM. Also, social CRM emphatically is not dead.

What terms are we trying to define? Here's the list: social business, social CRM, Enterprise 2.0, social enterprise, social media, and customer experience management.

Let's focus on social business, which is the all-encompassing term; all of the other concepts fall under its aegis. The best definition for social business that I have found is a combination of two. The first one is from uber-thought leader Ray Wang:

“A series of design principles, techniques, and technologies that create, extend, and enable individuals to engage,



company as well as the productivity of each employee. Social CRM centers on engaging with customers, providing them with the products, services, tools, and consumable experiences that they need to sculpt a personalized relationship with the company, and one that the customer controls.

My full definition of social CRM, though a little cumbersome, certainly does the trick:

“Social CRM is a philosophy and a business strategy, supported by a technology platform, business rules, workflow, processes, and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It’s the company’s programmatic response to the customer’s control of the conversation.”

One of the benefits of social CRM that draws less attention than it should is that by providing what the customer needs to control the experience that he has with the company, the customer also self-selects. That is, he chooses the level of intensity, the frequency, and the benefit he would like to derive from the company. The brand is simply providing the options. That means that if the customer doesn’t want more than a utilitarian relationship with you, odds are good he won’t use those tools that much. If he wants to go all the way to become an advocate, he will use what’s being made available to communicate his love of the company to the company as well as to his friends.

You don’t need to run complex algorithms and do deep sentiment analysis on people like that. They let you know how they would like to relate to you by


openly interacting with you at the level of their choosing. In other words, they self-select.

The same goes for Enterprise 2.0. The employees take part as much as they care to. Social business is not just the combination and interaction among the elements but it is also the empowering of employees to deal with customers and the empowering of customers to determine their own relationship with a company.

So, does social business substitute for a dying social CRM or a fading Enterprise 2.0? In fact, the exact opposite is the case. Social CRM is mainstream in discussion and tactical, rather than strategic, in most of its execution right now (e.g., a Twitter-focused customer service channel). It remains in the early stage but vibrant. Enterprise 2.0 is an increasingly “normal” part of the life of the Fortune 1000 workplace, as we go through decade two of the millennium. The two components—with aspects like the social enterprise technology stack and the inclusion of inbound and outbound social channels in the deliberation around communications with customers and employees—are what make up social business.

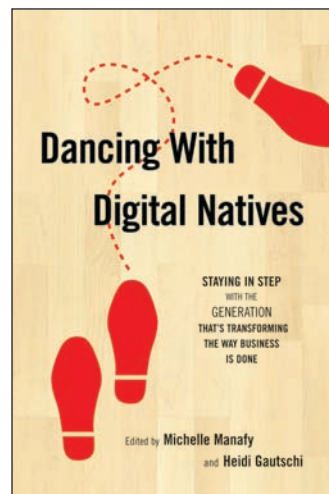
Substitute social business for social CRM? Silly.

Substitute social business for Enterprise 2.0? Dumb.

View social CRM and Enterprise 2.0 as the heart of social business? You’re smart. Very, very smart. Please stay that way, even when the doomsayers call for their replacements. 

Paul Greenberg (@pgreenbe on Twitter) is president of consultancy The 56 Group (the56group.typepad.com) and cofounder of training company BPT Partners. The fourth edition of his book, CRM at the Speed of Light (McGraw-Hill), is available in bookstores and online.

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Another Round of Gamification

Get customers onto the winning team—yours

AFTER A LONG DELAY, I've started to read *Reality Is Broken*, a brilliant and, dare I say, game-changing book. The author, Jane McGonigal, posits that gamification—adding elements of games to non-gaming activities to encourage participation—is a natural trend of software and experience design. If we have the tools and creativity to make the more boring facets of our existence more bearable, why stick with drudgery?

I am a person of business, a thinker, a procrastinator, and a colossal nerd. The idea of gamifying CRM appeals to me. Gamification can fundamentally alter business for customer and worker alike. So why am I only now reading arguably the most important book on the subject (until I write my own, that is)?

You may think I procrastinated, but you'd be wrong. I've been burned before on this topic. In an October 2007 column, I discussed gamer-influenced design in CRM as made popular by now-defunct vendor Entellium. I was a huge proponent of the company and its philosophy, so I was crushed—and furious—when the whole thing went down for wire fraud. There were good ideas there, and I hated that they would likely disappear because of their tainted association.


I should not have worried. McGonigal's work, and that of others, shows there's a lot we can mine from games. The idea isn't new, either; an entire branch of mathematics has emerged since the 1950s devoted to game theory, the study of making optimal choices and predictions on the choices and predictions of other "players," whether in a game or in hypothetical situations. Fascinating, but not my focus this month.

Videogames for home computers and consoles have become incredibly expensive to produce, and a studio can become the next hot property by turning out a hit—or it can wind up shuttered because of an underperforming release. Fans may be loyal to a developer and its products, but once those folks have walked away, they're likely gone forever. Keeping players interested in an older title is a cost-effective tactic for developers who can pull it off, but generating new content carries costs of its own. It used to be much trickier, until developers learned to outsource the process—to players.

When we talk about brand co-creation, there is no finer example than what happens daily in the game industry. Game modification, or modding, is the proof. In the early days, modders were rare; most of their efforts were for a relatively small group of friends, and they had to hack the game to do it; studios didn't like to share their tools, and modding a licensed property was sometimes considered a copyright violation.

Gross oversimplification: The industry changed in 2000, when Valve Software, publisher of the Half-Life series of games, teamed with a couple of fans who had created a multiplayer mod called Counter-Strike. Rather than ignore the incredibly popular third-party mod, Valve published the mod, with tools for fans to make their own. News spread, and people bought copies of Half-Life for access to the free mod. Counter-Strike eventually spun off into its own franchise, complete with professional gaming leagues. The game remains a top seller almost a dozen years later, and Valve is one of the most respected, and wealthiest, developers in the business.

Many games ship with a modding tools suite, and companies' official message boards have forums for modders and fans. Studios encourage fan creativity, hoping it will make their game the next Half-Life/Counter-Strike. There's much cross-pollination between the mod community and the developers in new features and bug fixes, and sometimes it turns into an entirely new game. Crowd sourcing and user voting are common, and a sure way to land a game development job is to produce an awesome mod (or a tool for making one) for a popular game.

All it took was a company to start treating its customers as fans instead of wallets, listening to their desires and welcoming their input. Games are now an industry to rival Hollywood (though they still haven't figured out how to make decent movies out of games, or games out of movies). Other businesses have been starting to take the hint. Can yours? 

Marshall Lager is the managing principal of Third Idea Consulting, a business he uses as cover to stay home and play modded games. Contact him at marshall@3rd-idea.com or on Twitter @Lager.



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WEDNESDAY NOVEMBER 2 11:00AM PT / 2:00PM ET

All marketers struggle to keep pace with the rapidly changing landscape of marketing – **the need to integrate channels, improve campaign results and effectiveness, and prove ROI** – despite shrinking budgets. So how is Aprimo and some of its clients revolutionizing their marketing to stay first in their categories? **Lisa Arthur, Aprimo CMO**, shares customer success stories and outlines the Imperatives of the Marketing Revolution – a 10-step strategic roadmap of changes that need to occur to help drive marketing forward.

Four key drivers are at the heart of this marketing revolution:

- an uncertain and ever-changing economic climate;
- globalization;
- a shift in control over brands to the consumer or buyer; and
- the need to drive sustainable growth and customer loyalty.

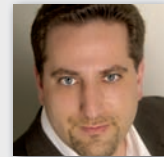
Marketing is in the midst of a revolutionary change that challenges the definition and future of the marketing function. At stake is the opportunity to restore marketing to the art of driving business results based on the science of understanding and adding value to current and future customers.

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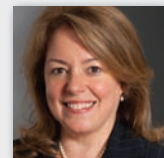
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