

10 Critical Mistakes that Salespeople Make with their CRM

**...and how to
avoid them.**

By Susan Clark



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My youngest son was lucky enough to get a summer internship with a Fortune 500 company. It's made us all realize how much we take for granted our knowledge of (and comfort level with) software. Because he has worked with me for several years in writing *The Official ACT! QuickStudy Guide* (now in its sixth edition), he's picked up quite a bit about the CRM world. So it seems strange to him that a large company like this would not be taking advantage of technology.

It's reminded me that even though Fortune 500 businesses have those deep pockets which most of us could never compete with, we can sometimes find a level playing field when it comes to customer management and relationship building and here's how.

The first week on the job, our dinner-time conversation started with, "Mom...

1. They don't even have a database.

It seems so obvious, but it is so often overlooked. Stop right now and name your most valuable company asset: Is it Inventory? Equipment? Employees? Your number one asset is your database of clients and prospects. That's because the fastest way to grow your business exponentially is to squeeze every drop of profits from customers you already have using database marketing.

Recommendation #1: Set up a database to help you track your relationships with your customers and prospects, as well as vendors, friends, and family. If you don't have one, this should be your number one goal in the next 30 days. There is plenty of inexpensive software out there to help you get this accomplished.

"But son, surely they have their data somewhere." "Well..."

2. They have their contact data (and calendars) in multiple locations.

Is your data in multiple spreadsheets, and in multiple databases, and in Outlook, and in your Treo or Blackberry? FastCompany says the average executive wastes 6 weeks a year looking for stuff. And what are we looking for most often? Phone numbers, papers and files, notes, checklists or items to put on our checklists. Did you know that according to productivity experts, your IQ drops 10 points with multi-tasking! Did you know multi-tasking can cause loss of brain cells? When your data is spread all over the place, you're in constant overwhelm mode. Besides the impossible chore of keeping contact information up to date and de-duplicated, it's impractical to keep separate calendars.

The most organized people are the ones who can put their finger on what they need, when they need it. Finding information you need, when you need it, is just one of the signs of a successful sales organization. If your entire world--customers, prospects, vendors, friends, family--is stored in only one easily accessible database, then you never have to look in multiple places to find critical contact info.

Recommendation #2: Keep all contacts in a single database (including prospects, referral partners, vendors, friends, family, etc.). Make it easy to find who you need, when you need them. With only one database, you instantly simplify your life because no matter what you want to find out, you've only got one place to look. No more searching in Outlook folders, desktop piles, digging through your purse or briefcase or reading Post-It Notes plastered all over your monitor in order to find relevant customer data that all staff members need access to.

“And not only that, Mom, but even for those who are using a database...”

3. They don't put every contact in their database.

Ever had stacks of business cards on your desk from the last network meeting or trade show you attended? Has it been so long that you can't even remember why you have the card? If there is a remote possibility that this person could use or refer your company, then they need to go in your database. You don't need to spend a lot of time entering the data, but if the information is not there, then it's pretty hard to track or expand that relationship. However, you do need to input the basic contact information (name, address, phone numbers, email address) on every customer and prospect. And please...don't put bad information in address fields or email fields because you can't find anywhere else to put the information. It messes up the marketing campaigns!

Recommendation #3: Don't procrastinate. Get the contact in the database immediately. If there will be a delay (or you are lucky enough to have staff and a CardScan device), then write notes on the card regarding where you got the card and why they should go in the database. I also require all of my clients have a “Trivia” field in their databases so that reps have a defined location for misc stuff that just doesn't seem to go anywhere else.

“They have some great marketing materials geared toward engineers, but they are wasting away in the storage room. They can't get a fix on who to send them to since...”

4. They don't segment their database.

Maintaining relationships with clients and prospects is one of the most important marketing concepts to understand and follow. Technology can help you to make those connections with less effort and (perhaps) with more effectiveness. But this type of marketing with technology requires that you create ways to intentionally segment your database. You already have some fields in the ACT! database by default that can help you do this...like Referred By (to identify how the contact got into your database) or ID/Status (to categorize contacts into marketing groups of Customer, Prospects).

You will surely want to create more fields to help you separate your contacts into smaller groups that allow you to communicate with them as if you were talking to them one at a time. Perhaps you will want to create fields so you can segment by Industry, by Sales Rep, by Customer Revenue, by Key Decision Maker, by User type, by Product Purchase, or by any other category that suits your business.

You should definitely create a field called “Email Permission” that allows you to keep track of who has given you permission to regularly email your marketing materials (your most important segmentation).

Recommendation #4: Keep up fields that help you segment your database. With a little thought, you can take your personalization beyond Dear Susan to phrases that help you build better relationships.

“I thought you were the only one that had ‘senior moments’ Mom. (Watch it, son!) A lot of the sales reps can't remember the last time they talked with some of the clients since...”

5. They don't record a history of each contact.

They just use their database like an electronic phone book. What a waste. I fell into that trap when I used to handle a lot of the marketing and sales work by myself. However, as our staff grew, I realized that they didn't always know what I promised a customer...or what trouble-shooting techniques I had

already tried on some support issues. If I was following up after another consultant on our staff who had already worked with a client, it made us look unprofessional if I didn't know at least some details about previous meetings and phone calls. As I have developed thousands of clients over the years, it has become impossible to remember details about many of them. (Kind of like I thought I would always remember who was in those old family photos....bummer....wish I had written down those names.) However, when I can look in our database now and see who was the last person at Cornerstone that spoke with them, when did the last update get sent to them, when was the first time we made contact with each other, what their kid's name is... that is impressive to a client!

Recommendation #5: Put your interactions in the database. It doesn't have to be War and Peace...just a quick history will do. The payback can be immeasurable.

“I didn't realize how easy it was for clients to fall thru the cracks. The larger clients are being handled well, but some of the medium-sized ones haven't been contacted in over a year. Why is that, Mom?” “It's because...

6. They don't schedule their next action after completing an action

It's true enough that we always remember to take care of our larger clients. It's the medium-sized ones that are many times ignored (much like the middle child). It's good to set your intention to interact with them again by scheduling your next activity as soon you complete the current one.

Recommendation #6: Schedule your next action when you clear a current one. A little care can encourage that mid-sized account to become a major one.

“They are always asking me how to do something in the database, because...

7. They don't learn the software.

I'm often asked about the different technologies I use to keep track of my busy day. Because I'm a database marketing consultant, I'm expected to be "up" on the latest hardware/software silver-bullet du jour. Actually, I'm kind of an old-fashioned girl in this department. I hate learning new software and really believe that "less is more." But for those of us managing monthly sales quotas, none of us can afford to live without some technology.

Recommendation #7: User adoptions is rarely a technology issue. It is a people issue. Stop driving your car down the street in first gear! Learn the software and shift into high gear. Find someone who knows more than you and have them help you. Find a user group in your area. Sign up for software tips. Take a class. Buy a book about the software (I could recommend a really great one) and read a chapter or two.

“They usually pull up an old letter written to someone else and just change out the company name. One slipped through yesterday where some of the previous client info was still in the document that went out.” “It's unfortunate that...

8. They don't have pre-written letter and email templates.

Templates that have been pre-written with placeholders for client information (so that no previous client data is ever left behind) are the perfect way to make your life easier. They provide a consistent and professional face to your organization and help make your follow up before, during and after the sale a breeze.

- Put your sales letters and emails into your CRM to make them easier to generate (and to ensure that company standards are being followed).
- Customize the fax form to match your company standard.
- Make generating proposals easier and faster.
- Are there forms to fill out? Have ACT! automate that function.

Recommendation #8: Develop a templated, easy-to-use, automatic response system to follow up with prospects and clients. Start with one document that you have used several times to send in response to a request. Convert it to a template to make sending it out a snap. You'll get addicted.

“They make everything so hard sometimes. I’m not sure why...”

9. They don't let the technology help them keep in touch.

It's not necessary to automate everything you do, but successful sales pros know some computerization can increase their numbers over time. Prospects aren't always ready to buy right now. I've seen statistics that indicate that 50% of sales reps don't follow up after the first call. What is needed is some type of drip marketing campaign that automatically sends out an email or letter every so often to keep that prospect in the loop so that when he is ready to buy, he'll think of you. There is technology out there to help you “set it and forget it” because the reps don't need to be involved again until the last step! Trust in the system. Let your messages compel your prospects to call you back to find out more. Here's a simple drip-marketing series:

1 st Touch	Email an introduction
2 nd Touch	Mail capabilities letter
3 rd Touch	Email link to sign-up form for free “Tips Sheet”
4 th Touch	Email 1 st Tip
5 th Touch	Email 2 nd Tip
6 th Touch	Mail postcard offering a free whitepaper, downloadable from your website
7 th Touch	Call to request a meeting, ask for a referral

Seven touches and only one of them is a phone call requiring a salesperson to follow-up! The goal is to attract your prospects and customers to buy from you automatically...when they're ready...even though you may not be “there” to call on them.

Recommendation #9: Take advantage of technology. Determine that you will design a drip-marketing campaign (a few drips of nourishing information on a consistent, pre-planned basis...not a flood) to let prospects know about all of your services or products. Be sure to have a system to track opt-outs to any email marketing campaigns so you can stay CAN-SPAM compliant with your e-marketing.

“Computers can do everything, Mom.” “Hmmm, be careful son. What do you think might happen to sales reps where...”

10. They expect their database to make the sale for them.

Technology can organize how you are going to engage with a customer or prospect. It can formalize the sales process, but it cannot replace human interaction. While it may come close, technology will never have the personal relationship that drives the revenue of most companies.

Keep in mind that data doesn't sell anything to anyone. You must develop a good relationship with your client. So many people buy CRM software and assume it will make them a competent salesperson. One of the best salespeople I ever had the pleasure of meeting sold controls for industrial equipment. His first boss sent him out for six months (that's two reporting quarters) and told him not to try and sell anything. His job was to get to know the clients, be helpful, be a friend, and be a really good listener. He had the third highest sales in his company, not selling, just being helpful, listening, and bringing the clients concerns to his management. Not all clients buy today, but when they are ready, he has a very strong relationship and the listening skills necessary to understand their needs. He has changed companies a couple of times, yet he retains 90% of his clients. After all, he has the relationships. And people buy from people they like and trust. Computers better enable us to maintain good relationships, they are not an alternative.

Recommendation #10: Don't let CRM software be an excuse for not doing the basics. Get out there and sell.

The Author



Susan Clark literally *wrote the book* on ACT! Software: She's the nationally known and respected author of *The Official ACT! Quick Study Guide* (now in its 5th edition) which sells on ACT!'s home page. She is currently providing workshops in several major US cities on how to implement follow-up marketing programs with ACT!

Her company, Cornerstone Solutions in Houston, TX, has one of the largest teams of ACT! Certified Consultants in the world, is one of the top ACT! resellers in the nation, and Susan founded the Houston Area ACT! Users Group.

Susan's been recognized for just about every honor an ACT! expert can receive. She is a Sage Authorized Premiere Trainer and her courseware is used by many consultants in their training classes nationwide. Susan is actually considered an ACT! Consultant's "ACT! Consultant" because Sage (ACT!'s corporate parent) hires her when they need to train and certify new ACT! consultants. She was voted onto ACT!'s Advisory Board (1 of only 9 in the world) by 400 of her peers in the ACT! community. (The Board meets with ACT!'s US president and top software developers to help guide the future of this #1 selling product.) She still facilitates the Houston Area ACT! Users Group. You can reach Susan at 713-661-5095 or clark@cornerstonesolutions.com