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10 CRM Mistakes and How You Can Avoid Making Them

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While CRM systems have been around for a long time now, choosing the right CRM platform—as well as implementing it—can still be tricky. Choose the wrong system or make a mistake in how you deploy it and you could wind up worse off than when you started.

To help managers increase their odds of success, CIO.com asked CRM experts and users to pinpoint some of the most commonly CRM mistakes and explain how these mistakes can be avoided.

CRM Mistake No. 1: Not thinking about the end users when choosing a CRM solution. "To succeed with CRM, organizations should get end users actively involved before ever looking at systems," says Chris Fritsch, a CRM consultant and owner of [CLIENTSFirst Consulting](#). Explain to the people who will be using the CRM solution how it will benefit them, as well as the company as a whole. "The discussion should focus on CRM as a tool for improving the organization and achieving important organizational goals like enhancing revenue, reducing costs, automating processes and saving time."

CRM Mistake No. 2: Not choosing a CRM solution that is sales rep (i.e., mobile) friendly. One of "the biggest problem with CRM systems is getting sales reps to use them," says Lawrence Coburn, CEO and cofounder of [DoubleDutch](#), a mobile enterprise app developer. "Desktop CRM systems were designed and optimized for management in offices, rather than for sales professionals on the go. To see higher engagement, businesses should choose user-friendly mobile CRM [solutions] that integrate effectively with current systems, while facilitating real-time updates as they make phone calls, visit customer's offices and schedule appointments."

CRM Mistake No. 3: Choosing a CRM solution that cannot scale. "Many businesses choose CRM solutions 'in the moment,' that is, looking at the current state of the business," explains Steve Litwin, the president of [Litcom](#). "The CRM solution may be adequate for the first few years, but what happens when a business expands? When you have more customers and more orders? Businesses need to carefully assess their data when choosing a CRM solution, keeping the future of their business in mind."

CRM Mistake No. 4: Lack of social media integration—or ignoring social media as a CRM tool. In today's social media driven world, it is essential to have a CRM system that includes your social media interactions with customers. But "it's not enough to merely collect and monitor [this information]," says Sid Banerjee, CEO of [Clarabridge](#), a provider of customer experience management solutions. "Businesses need to intelligently listen to their customers and... actively engage with [them] over Facebook Twitter [and] other social outlets," he argues.

The benefit: "Social information and engagement can produce vital customer insights and create a long-term relationship with your customers that can then be used to improve the customer experience and ultimately benefit an organization's bottom line."

Slideshow: [10 Social CRM Tools to Help You Keep Tabs on Your Customers](#)

CRM Mistake No. 5: Not integrating your CRM system with other key systems. To optimize your CRM investment, "integrate [it] with other systems," says Lou Guercia, CEO, [Scribe Software](#), a provider of CRM data integration solutions. "Companies who integrate their email... with their CRM, for example, cite year-over-year revenue gains of 22.7 percent vs. 13.4 percent for companies who don't, according to Aberdeen Research."

CRM Mistake No. 6: Lack of defined business processes. "Businesses that view CRM as a glorified address book miss the bigger opportunity at hand," says David Ciccarelli, cofounder and CEO of [Voices.com](#), an online marketplace for voice-over talent. "Yes, you can store basic contact details but where the value comes from is in the grouping of customer information (contact details, sales opportunities and support tickets) and how that information relates to each other," he says. "To solve this problem, organizations should sketch out a workflow diagram that depicts the customer life cycle. This visual tool will aid you in not only customizing your CRM but fully taking advantage of its functionality."

CRM Mistake No. 7: Inconsistent nomenclature; no guide for how to refer to accounts. "Many companies have redundant entries for accounts—for example G.E., GE and General Electric—making it difficult to prioritize and capture information," explains AJ Ghandi, vice president of Customer Solutions at [Lattice Engines](#), which provides big data for sales software.

"When this problem persists, sales reps often end up abandoning CRM and using spreadsheets, negating the millions of dollars large organizations invest in CRM." The solution, he says: "Each account should only be in the system once; customers and prospects should be organized into a hierarchy capturing multiple buying centers within business units and parent-child companies; and, most importantly, account names should be matched to other databases like Dun & Bradstreet, or internal systems (e.g., purchase history and transaction database) to enable enhanced insight into the customer within [the] CRM [system]."

CRM Mistake No. 8: Too many fields. "Within each record, make it easy for the sales team to fill out the information, so they don't get bogged down in minutia," says Catherine Brown, vice president of Marketing, [Mavenlink](#), a project management solutions provider. "Only require the most important details about each contact or opportunity. Then the salesperson can fill out more detailed information when it becomes available."

CRM Mistake No. 9: Being overly ambitious. Often, companies are so excited about their new CRM system, they set too ambitious goals, and deploy features that confuse or intimidate users who are unfamiliar with the system.

To increase the likelihood of user adoption, "lay out a multi-step plan that delivers value iteratively, beginning with quick wins that deliver high value in a short amount of time," says Ken Shipman, CRM practice leader, [Rightpoint](#), a technology consulting company. "This will keep users happy." And it will also help you achieve a better return on your investment.

CRM Mistake No. 10: Not establishing metrics to measure success. "Implementing CRM/Social CRM without a solid [goal] is a dumb idea," says Barton Goldenberg, founder and president of [ISM Inc.](#), a provider of customer-centric business strategies. "There should be metrics for each of the proposed business areas that will be impacted by the system, and these metrics should be measured on a regular basis."

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