

SRD Group • Customer Relationships Are An Asset

Over the past decade, companies have spent untold millions on the promise of Customer Relationship Management (CRM) – “a single 360 degree view of your customers will offer value to your organisation and help create a bigger bottom line”.

CRM is actually all about how you build Relationship Capital (RC) and maintain a healthy RC Asset Ratio!

Are customer relationships an asset? We all say ‘yes’, but how many companies have actually taken the time to measure the RC Asset?

The RC Asset Ratio might look something like this:

$$\frac{\text{Time Spent Keeping Customers}}{\text{Time Spent Finding Customers}}$$

If this ratio is less than one – then it could be argued that you have a poor Relationship Capital Asset Ratio.

The key point being that many companies spend a lot of time trying to find new customers and often very little time on keeping existing customers – where a great deal of profit is to be made.

“There are also many things that companies must focus on in order to successfully grow their Customer Relationships and manage their RC Asset,” says Neil Stewart, founder and director of SRD Group. “About 50% of our business is helping companies that have failed at CRM – they just didn’t fully appreciate what it meant for them,” he says.

Unsuccessful CRM efforts are often organised around a ‘fire, aim, ready’ approach that revolves largely around technology. However ‘form follows function’ and nowhere is this more true than in CRM. It starts well before and continues long after technology selection.

“CRM isn’t about technology any more than hospitality is about throwing a welcome mat on your front porch!!” (David Sims)

While some companies build a CRM strategy – many don’t. For these the ‘strategy’ is to purchase and implement CRM technology, and expect their staff to work out how to best apply it.

“We were struggling to get people to use our CRM and hence get benefits out of it. SRD Group helped us change our approach. They took time to understand our business goals and strategy, looked at our processes and helped merge CRM into the roles of our staff. We haven’t reached our goal yet – but now we’re well on our way.” – Dennis Foale of ORIX Australia Corporation Limited.

“Like any business – and especially when talking about relationships – success is proportional to looking after the detail,” says Tania Hawkes, GM at SRD Group. “We find very few companies that have deployed CRM, actually measure any leading (or lagging) indicators that would tell them their CRM strategy is successful.”

“SRD Group showed us how to merge our Key Performance Indicators into our CRM system so we could track the indicators that were controlling our performance and monitor our speed to market with new product launches.” – Les Hough of Glaxo-SmithKline Consumer Healthcare New Zealand.

“SRD Group not only helps to get CRM journeys back on track, but can provide valuable insight before technology is even considered. They use a combination of strategic thinking, theoretical expertise and practical experience to ensure robust CRM strategy development. Put together with proven methods for implementation, the result enables the organisation to both adopt the CRM system and maximise its usage”. – Tania Brenstrum – Roche New Zealand

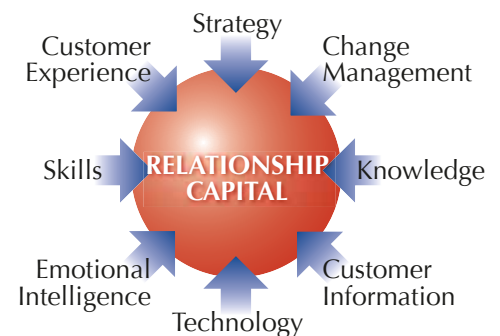
SRD Group consultants ask their clients “how do you know if your CRM is making a positive difference to your customers?” “We don’t,” is often the reply.

“This is quite common,” says Neil Stewart. “We offer a service of measuring their Customers’ Experience and

then provide guidance on how the company can improve them by maximising their CRM strategy, system, customer interactions and processes.

“We force them to think ‘outside in’ rather than ‘inside out’. We talk about Customer Experience being the outcome of a combination of two levels of interaction; the Physical Level and the Emotional Level. Both levels require a certain point of expectation to be reached in order to provide a good Customer Experience. The more these expectations are exceeded on both levels, the greater the Customer Experience.

“At SRD Group we always said that we merge teams, technology, and customers,” Stewart adds, “but really we’re merging physical and emotional elements of their relationships into a CRM strategy for clients.”



“We focus on CRM Strategy, Change Management, Knowledge and Skills, and Customer Experience as we believe that these, coupled with effective Technology, will enhance the profits of our clients.

“It’s all about building and maintaining Relationship Capital and thinking of it as an Asset – not an expense!”

SRD Group are CRM and Customer Experience Consultants. Based in Auckland they work with NZ and Australian clients. They have no allegiance to any particular CRM system. Visit www.srd-grp.com or call Neil Stewart 09 414 4555.