

"10 Steps to Information Quality within your CRM System"

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Today businesses are collecting more information about customers and transactions than ever before. From the smallest to the largest, companies are realizing the importance of information and how it can help them improve their business.

In recognition of information's potential, many are turning to Customer Relationship Management (CRM) technology. However, despite their best intentions and sizeable investments in CRM systems, many businesses won't see a solid return on their efforts.

In short, this is because many businesses overlook the fact that the information they're storing and managing is inaccurate, outdated, or redundant.

While knowledge workers may recognize the problem, they may feel they won't be able to justify an investment in a proper information quality solution. Other times, an information quality solution is seen as a second priority to the deployment of a CRM system.

Whatever your company's reason for not already developing an information quality strategy, these 10 steps can help you understand the importance of implementing a solution so you can begin to profit from your CRM system, with accurate and dependable data.



1. Understanding the philosophy of information quality

You no doubt already understand what a CRM system can do for your business. There's simply nothing more valuable to a company than a CRM system's ability to get information to the people who need it, when they need it.

Companies who are committed to CRM justifiably dedicate much thought, planning, and a considerable amount of resources to perfecting a system that will work best for them. Unfortunately, so much attention is focused on the big picture of how the system is structured, that some companies overlook the most crucial element of all: the information itself.

Telephone numbers, purchase histories, account records, and other kinds of seemingly valuable information are worthless if they are not accurate and dependable.

The quality of your CRM system's information affects every aspect of your business. From routine transactions to long-term planning, smart and informed decisions depend on accurate information.

That's what information quality is all about: making sure you can trust the information on which your CRM system — and ultimately, your business — depends.

Bad information means bad business decisions.

2. Evaluating your current and future business practices

Your CRM solution should be built around the way you interact with your customers. The processes you use to sell, service, and support your customers must be integrated with your CRM solution in order to leverage the value of your technology investment.

Once you have defined your customer interaction business processes, you should look for CRM technology that will enhance the efficiency of your organization. It is important that you understand the processes that are defined in the technology you purchase and are able to configure the solution to specific business practices.

One business practice that *Look at the big picture — don't neglect the customer information in your business practices.* often gets overlooked is how your business deals with its most important asset — your customer data. This process is essential, as your customer information is the core of your CRM application. While the great thing about CRM systems is that everyone can share information, it's also a hurdle. Why? The bad data is shared along with the good data. Once bad information is in the system, there's no way of differentiating it from accurate information. That's why departments that once thrived on their own well-maintained information systems can actually suffer decreases in productivity and efficiency after the implementation of a CRM system.

3. Justifying the practice of information quality

Think about your company's most valuable assets and how they are handled. Your financial investments are carefully managed to respond to financial markets and to your company's needs. Knowledgeable employees are managed, and their skills are developed through training.

Now think about how your company handles information. After all, information is an asset, like any other. You invest money to collect it. You incur additional expenses to organize and store it. And it's irreplaceable when it comes to most of the decisions you make, from routine transactions to long-term business planning.

Information is your company's most valuable asset — treat it that way!

Information is the one asset that everyone in your company depends on. So for better or worse, the quality of your information affects your entire organization.

Many companies recognize the value of information and have learned to treat it as carefully as other assets, by maintaining an information quality office, or strategic information office, to monitor information quality. In fact, a recent report by the Gartner Group recommends and underlines the importance of "data stewards," who are responsible for maintaining a company's information quality.

Your company has already made considerable investments of time and resources to make sure the information it needs is collected and maintained. To leave the quality of this information to chance is to put these investments at risk. To get real returns on your investment, you must continue to manage information as you would any other asset.

4. Researching an information quality solution

Whether you have already deployed a CRM system or are still researching one, you know that a CRM system has to be tailored to your company's structure as well as to its current and future needs. In the same way, an information quality solution has to be a good match for your CRM system. In looking for the proper match, there are a few main areas to keep in mind.

Make sure that the information quality solution you choose is highly compatible with your company's CRM system. Whether your system is by Siebel, PeopleSoft, ONYX, Clarify, or another provider, you want to be certain that the solution you choose will work with it seamlessly. Consider information quality solutions produced by firms that have close partnerships with the developer of your CRM system for the tightest and most reliable integration.

Also make sure that the information quality solution you choose will be able to handle the various platforms and sources of information within your company, both now and in the future. For example, does information come directly from customers on the Web? Or do your mobile salespeople or retail outlets access and contribute customer data to your CRM system?

*Make sure the solution you choose isn't just good
— but good for your company.*

Finally, make sure the system you invest in is suited to your field. Tap the valuable experience of others in your industry by asking potential providers for references of others in your industry who have deployed the system you are considering.

5. Establishing business rules to support your business practices

Think of information quality software as a talented employee. The software will consistently make good decisions if given the proper instruction. But just like employees, even the best systems will underperform without the right training.

For an effective information quality solution, training comes in the form of a carefully crafted set of business rules. The best software solutions will allow great flexibility to change or refine rules as your business grows and evolves, but no solution will work if business rules aren't tailored to how you really do business.

To give an accurate picture of how your company operates, you will need to involve the entire organization, taking into account each department or division that uses your CRM system. You will need to consider how information is used and what information is exchanged between different parts of the company. You will also need to define how you market and sell products and services.

For example, are you marketing to individuals or targeting entire households? A business rule can be written to treat individual customers at the same address as one, if this suits your business practices.

As your business changes, your information quality solution needs to change with you.

Accurate business rules can stand between you and the success of your CRM system.

6. Deploying an information quality solution

Once you've defined your business rules, you will have to take a close look at how and when to deploy an information quality solution.

The rule of thumb is that all information must be cleansed before it enters the CRM system. However, there are different ways in which cleansing can take place. To decide what plan will work best for your company, consider how different types of information are used in your business, and where the information comes from.

Relating how you deploy an information quality solution to the way you establish business rules will serve you well in the long run.

For some area of your operation, an information quality solution is needed on a transaction basis. In other words, as information enters the system, it is immediately cleansed, one record at a time. For example, a call center employee entering customer information for Joan L. Smith will immediately know with transactional processing that this is the same customer as J.L. Smith. The employee will then have a complete account history and billing information to better serve the customer and reduce the transaction time.

Other types of data, such as existing databases or prospect marketing lists, are most effectively cleansed or processed all at once, as a batch. This will allow a large database, for example, to be cleansed quickly at one time before entering the CRM system or on the maintenance of the existing CRM database.

7. Enhancing information across your enterprise

Once a system based on your business rules has been successfully deployed, you can focus on improving specific types of information in your CRM application through data enhancement. In this guide, data enhancement is defined as the identification, standardization, and correction of data elements.

Often, companies experience difficulties combining databases since each may have been created independently and on different platforms. While the basic information contained in each database is essentially the same, the format of each may differ.

With an information quality solution, customer and business information can be normalized and corrected before it's loaded into your CRM system. Whether you collect or store customer data, email addresses, point-of-sale data, or any other types of business data, an information quality solution can enhance this data for a more complete base of customer knowledge.

*Enhancement lets you make the most
of the information you already have.*

The enhancement stage also allows you to integrate information from other sources, such as an existing company database, or additional marketing data from third-party sources. Specific third-party data, such as income information or psychographic data can greatly improve your knowledge of customers.

8. Creating a single customer view

One of the main principles behind CRM is that there is only one record for each client. Unfortunately, even the most sophisticated CRM system is incapable of maintaining a single record per client without accurate, cleansed information. That's why information quality is so essential to all CRM systems.

Once various data sources have been identified and inaccurate data has been corrected through enhancement, all records containing overlapping information can be consolidated to form a single record. For example, records for Bill Livingston and William J. Livingston at the same address in Dallas will be combined into one record. This single record will include the most up-to-date and accurate information available, and provide a single view of that customer's history with the company.

A single customer view allows you to truly understand your customers — enabling you to put the power of CRM to work for your company.

A single customer view means that everyone can truly access and use the same information. In addition, it allows for a more in-depth understanding of your customers and your business. The potential of data mining and detailed analysis, for example, is greatly enhanced through a single customer view, allowing you to develop a more effective and efficient marketing strategy.

9. Realizing the benefits of an information quality solution

Accurate data and the single customer view that result from an effective information quality solution will allow you to fully profit from your CRM system.

Accurate data means everyone can do their jobs more effectively. And with one record per customer, everyone benefits from new information immediately, since all relevant data is in one place.

For marketers, a single customer view means a more precise and accurate view of the customer. They will know what customers really want, and which customers are the most valuable. By having an accurate view of each customer, more sophisticated marketing campaigns become possible, such as loyalty programs, or more highly personalized offers. And as marketers do their job better, customers are more satisfied, because you're offering the right people the right products and services.

Integrating information quality within your CRM system helps you build and maintain stronger, more successful and profitable customer relationships.

In the long run, you'll also be able to make better decisions. Which products appeal to your best customers? What pricing structures work best? Which offers are the most effective? Which product lines should be expanded because they appeal to a more affluent or growing market? You can better answer these questions and others with accurate customer information.

10. Providing feedback and continuous improvement to quality

Chances are, your company isn't operating on the same business plan as it was a couple years ago. For that matter, you may have revised your business plan in the last 6 months or less. The point is, there's nothing static about business. Businesses change, grow, and evolve — regardless of your industry.

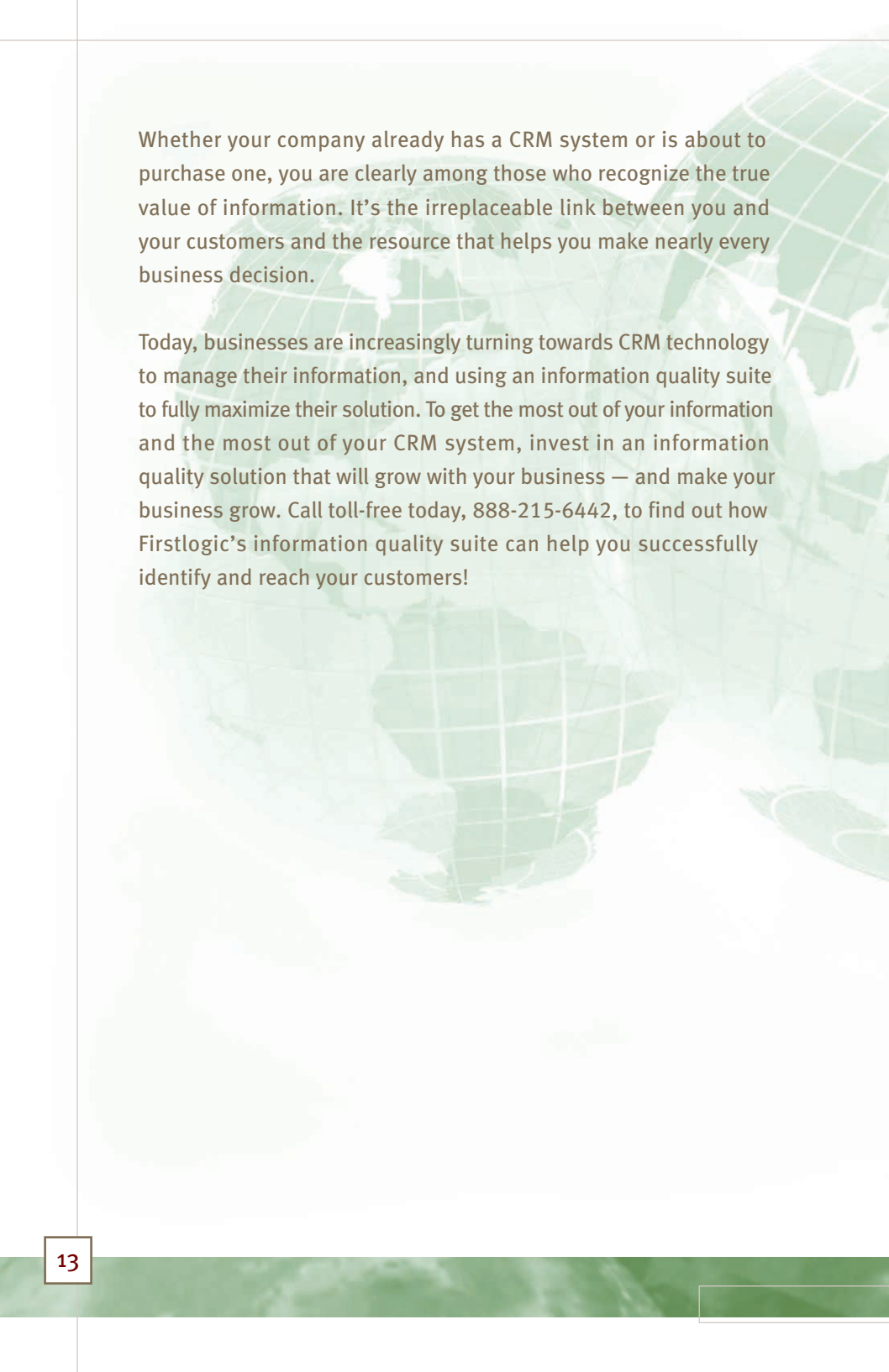
If an information quality solution is to serve you well, it must continually grow and change with your company.

Information quality is a continuous process, not a one-time fix. As priorities change, as new types of products or services are released, or as new kinds customers are targeted, these differences must be reflected in the business rules your information quality solution depends on.

You will also want to continually improve and fine-tune business rules as you learn more about your company and your customers. For example, the analysis of a recent marketing campaign may shed new light on your customers and how you can best serve them.


There's also need for routine maintenance. For example, information becomes dated, people move, businesses acquire new customers, and postal codes change. Information quality is like any other solid business practice, and therefore, continuously needs to improve.

*As your business changes,
make sure your information quality solution grows as well.*



Whether your company already has a CRM system or is about to purchase one, you are clearly among those who recognize the true value of information. It's the irreplaceable link between you and your customers and the resource that helps you make nearly every business decision.

Today, businesses are increasingly turning towards CRM technology to manage their information, and using an information quality suite to fully maximize their solution. To get the most out of your information and the most out of your CRM system, invest in an information quality solution that will grow with your business — and make your business grow. Call toll-free today, 888-215-6442, to find out how Firstlogic's information quality suite can help you successfully identify and reach your customers!



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