

Best CRM Practice – How to improve lead conversion rates

Never lose another lead

How valuable is a lead?

In business we all work hard to generate new leads. It's what drives our sales and marketing teams every day. However, it's more than just a job, it's a purpose and it's also a process. A lead can be more valuable than most of us at first might imagine but take into account the process and it all begins to add up.

Customer acquisition costs...

First there is the advertising and marketing costs and then there is the cost of the sales team and all the overheads, in which that aspect of the process will rack up. Advertising includes the time spent working on ideas, the copy or the script writing, in fact all the creative works involved in putting together the advertising campaign itself. Then when you consider the actual cost to run the campaign, it can be a very expensive exercise.

Sales team follow-ups...

Once the advertising campaign is all set up and running, your sales team has the job of monitoring the progress and following up on any leads. Now that's where it is vitally important that every lead is converted into a sale at some point in the process. Customer acquisition is a very costly business all by itself and so it really is imperative that every lead is followed up promptly, exactly as the customer might expect.

Don't keep the customer waiting...

In fact the main reason for losing valuable leads is not following up with your prospect in a timely manner. Nobody wants to be left waiting. Time is valuable and sometimes decisions have to be made in an instant. There are plenty of other suppliers that the lead can go to if you can't get back to them and deal with their enquiry effectively. Competition is everywhere and there is no room for complacency.

CRM offers more opportunities...

CRM is the software tool for business that ensures you never lose another lead ever again because all leads are automatically displayed within the program. Sales teams can then act immediately on making contact, following up and impressing the lead with their quick response. That first positive impression of customer care can help to convert the lead into a buyer. We all know that first impressions last. CRM offers more opportunities to make impressions last longer.

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Efficiently work each lead to maximize conversion

Still using clunky spreadsheets?

Remember those clunky old spreadsheets? Companies that still use spreadsheets to manage such important customer and lead related data are teetering on the verge of extinction. Compared to CRM, spreadsheets are likened to a bean counter against the ultra-fast speed of an electronic calculator. Why would any company, serious about their business, and in today's competitive world, not be using CRM?

Turning information seekers into leads...

We all know how important it is to follow up on leads in a timely manner but it's also important to be able to provide answers to questions and queries just as quickly. Quite often a lead might be someone who has a question about a particular product or service that your company offers. They might simply want to know about delivery times, order turnarounds, lead times or other similar information. They might want information about prices because they are making comparisons with your competition.

Ensuring leads are serviced...

Whatever the reason for making contact, your sales person will have much more of a chance to convert this lead into a sale if they have all the relevant information to hand. If they don't then they should be able to seamlessly refer the lead to someone who can help them further with their enquiry. Virtually every lead has to be worked in this way because it is part of a sales process, often lacking the personal touch. CRM helps you make this process run more efficiently and much more effectively because everyone that contributes to the process can be connected via CRM.

Dormant leads...

A lead that has not been converted is still a lead. CRM allows you to keep the prospect visible, with perhaps the option to offer the lead an incentive. Very often a small incentive is all that's needed to tip the scales in your favour. Hot, dormant and cold leads can be managed easily with CRM, which is also capable of providing in-depth analysis reports for better sales conversion in the future.

Keeping in touch...

With access to vital information at your fingertips there is no reason why the inquisitive lead should not be anything less than impressed with your full response. CRM allows you to contact potential customers by email or phone directly from the software program either in the office or on the move. You are always in touch, when it matters most. The sheer convenience to both the user and the prospective client makes CRM the most powerful customer management tool available to business.

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Act when you promise to act

Never break a promise...

It's a cardinal sin to break a promise to a customer or client but with such a busy schedule, many sales managers are often guilty of this. However, when your CRM program is configured properly, you won't be allowed to forget to call your customer, send them a sample or be late for a meeting. CRM has many built-in features that are specifically designed to ensure you always remember your customers.

Taking prompt action...

What to do when a customer is not happy? Make them happy at all costs. It's as simple as that. Set a reminder on your CRM system to ensure you take positive action to remedy a problem as a matter of urgency. Whether it's a late delivery, faulty or damaged goods or an out of stock problem, you can deal with it instantly via your CRM program. That's just one of the many functions it was designed to do perform.

Who is responsible in dealing with your customer's problem?

When all departments have access to your company's CRM program, it becomes immediately evident who should be responsible for a customer's particular problem. There's no excuse and no passing the buck. CRM puts you in control of the situation, ensuring a valuable customer is never overlooked or let down. When you make a promise to your customer, CRM will always be there to remind you.

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Organise and record your communications

Communication is key...

Messages can get lost, mislaid and even misinterpreted. However communication is key across multiple site locations, between company departments, sales teams and customers. In any organisation, the means to effectively communicate and respond quickly is of paramount importance. It's equally important to ensure all communications are recorded and logged for future reference. That's exactly what your CRM program can do, and more.

A clear picture for everyone...

Being able to log calls and emails and then organise these communications into manageable data is of real value because these "strings" offer an insight into processes, events and incidents. Once organised, anyone without any prior involvement or engagement should be able to instantly get the full picture of events and be able to take over the management of that account from that point going forward. It saves on having to explain to a new starter in the sales department for example, how the whole sales process works, or how customer services effectively deals with complaints.

Valuable information for management and training...

With all concerned having access to the same communication data, it ensures everyone is on the same page and speaking the same language. It's also very useful for management and ongoing training purposes. Sales managers are able to call up specific data and analyse the full communication string, or any part of it, and then determine whether the course of action taken was the most appropriate, or whether improvements could be made in the future. Without this information it might be impossible to know how and what improvements can be made.

Multi-functional and multi-faceted CRM...

CRM has many features and benefits that are invaluable and yet may not be immediately obvious, until you either begin to use the program or you need access to data, which might otherwise be unavailable. It's no surprise then that CRM is the fastest growing software program for business use.

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Follow a plan of action

Develop customised templates to save time...

To use CRM effectively it's always a good idea to ensure there is an action plan in place that everyone is party to. For example, standard email templates should be created that everyone can use whenever the need arises. This will save time and keep communications confine within an acceptable tone that best represents your company and brand. Templates can be created for various departments, who deal with different aspects of the sales and customer service processes, and can include follow-up templates.

Develop protocols...

Develop a protocol for logging all communications, follow-ups, action taken and analysis. Use CRM to create a big picture of every event from lead generation to securing a sale to after sales service and support. By having all this statistical information conveniently in one place, you are best placed to create sales forecasts and profit forecasts. Filters can be set to ensure only specific data you need access to is actually displayed.

Ensure CRM is the hub of all activity...

Make your CRM program the hub for all activities by ensuring all staff keep their calendars up to date and others have access to all this information. Ensure all contacts are added to the CRM for reference and cross reference. Ensure all forms are customized and standardized. Ensure everyone updates the status of their activity on a regular basis, and all mobile devices are logged into the system.

- Create and customise email templates
- Create and customize all forms
- Develop actionable protocols
- Ensure all staff activity is logged and updated regularly
- Ensure everyone has 24/7 mobile access to CRM
- Ensure customers are the focus of all activity

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See what's been done and what needs to be completed

Identify potential problems quickly...

CRM allows you to see the full picture or any part of the picture in terms of lead generation, conversions, actual sales, pending sales, active contacts, tracking and analysis, and much more. The larger the organization, the more difficult all this can be but with CRM the process can be structured and streamlined to ensure effective management. Sales managers can instantly see what activities have been logged and what action has been taken to ensure processes run smoothly. Problem areas can be identified quickly and managed effectively.

Get the complete picture...

With CRM you are able to access a snapshot of all company activity at any time of the day, or night, and from any location. This allows you to see well in advance what work needs to be done and how effectively it is being carried out. CRM is the perfect forward planning tool for all managers in all departments, providing up-to-the-minute, accurate data that can be used to maximum effect. Data can also reveal where repetitive working practices might be automated and where efficiency can be improved by integrating with other software.

Predictive results...

Because CRM is fully customisable you are easily able to set goals, objectives and targets, based on precise information and sales forecasts. You are then able to create effective marketing plans and campaigns with predictive results. CRM creates awareness beyond the usual day to day business activities because seeing what is happening now can help provide an insight into what will happen in the future.

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Report on what works and what doesn't

Find out what works and make it work better...

When your team inputs various information into CRM, valuable, actionable data is created and becomes accessible for analysis. Best practices can then be forged into the company's culture and ethos, filtering through all departments. The result is a dynamic, responsible company with happy customers and a satisfied workforce. This can only be achieved by knowing exactly what is working in the business and what does not. When you know what works you can simply plan to make it work better, through efficiency measures and other improvements.

Create reports with minimum effort...

What to do when you identify areas of business that do not work as well as expected? CRM can help reveal the shortcomings and failures, just as easily it can the successes. The benefit of CRM is that you will actually know this and so not carry on blindly making the same mistakes. If something doesn't work then you need to stop that particular practice and replace it with a method or system that does work. With CRM you are able to create numerous reports on virtually every aspect of the company's activities. A quick analysis can lead to a quick fix.

Maximise production and profits...

By knowing what is and isn't working you are able to effectively split test, tweak and fine-tune your marketing, adjust sales procedures and maximise production and profits. CRM is such a versatile tool, you can even use it to manage sales funnels and end of line sales, special offers and price testing. Simply find out what works, make it work better and then repeat the process or even automate it.

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Forecast and predict your sales

Evaluate performance...

CRM allows you to closely monitor all sales activity from lead generation right up to the customer's first purchase, and way beyond. Factor in this information with repeat purchases and the percentage of monthly lead conversions and you have a clear picture emerging of how your company is performing. With such repetitive activity it is relatively easy to create your sales forecasts based on this predictable data. Such forecasts are obviously useful for marketing and investment planning together with calculating provisional turnover and provisional end of year accounts figures.

Calculate costs and profits...

Being able to accurately forecast and predict sales in advance, helps a company to better understand market trends and other market influences such as how the economy is performing or affecting business. With an accurate sales forecast, based on previous sales volume as an indicator, production, manufacturing and stock control requirements can also be more accurately calculated. This could have a huge influence on costs and ultimately profits.

Obtain substantial buyer discounts...

One of the most obvious advantages of producing accurate sales forecasts and predictions lies with keeping retail suppliers well informed about future requirements. This can certainly help when negotiating prices for goods and stock, especially applicable to volume discounts. Sales forecasting has many benefits to business, which are not always immediately obvious.

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Leads sources – spot the good and the bad

How effective are your marketing campaigns?

Every business needs to know where their most promising leads are coming from and each source should be carefully monitored and not collectively bundled together for analysis. Web, phone, email, referrals, purchased lists and other sources should be categorized as such and each given a quality score. How else would you know which the best source is, and which ones you should be investing more time and money in? CRM can help you determine this, providing measurable statistics on each particular lead source and outcomes.

Setting standards for quality filtering...

As a way to measure consistency of a lead source it is important that certain criteria are set and adhered to by the sales teams. For example, leads generated from web activity should be followed up with an email or phone call in that order. This sets a benchmark and will allow the sales or marketing manager to precisely monitor the transition of lead to sale through that particular process. Lead sources that do not convert as expected can then be tweaked, changed or split tested to discover what method is most productive.

Determining which source is producing the best ROI...

CRM is a vital tool in analysing and tracking quality of leads from a variety of sources. The software, with its convenient reporting features, makes it much easier to see which source is converting the most sales. Poor lead sources can then either be discarded, put on hold or become the focus of a new marketing strategy. By applying a simple quality score to lead sources, filtered by set criteria, it becomes immediately obvious which source is producing the best ROI.