Assignment 3 | Customer Relationship Management Audit (20%)

You're strategic marketing consultants who focus on business growth by understanding a client's CRM strategy. *The CRManagement Audit is a group assignment worth 30% of your final grade.*

Our client is **Sarafino** and you will be living and breathing their customer journey to understand how you can help them accomplish their business goal through a strategic CRM objective.

For the weeks leading up to your report, you will explore your client's different data collection tools and organizational structure. You will identify gaps and make strategic recommendations to help the client achieve its SMART goal.

Learning Outcomes and Objectives

The learning outcomes this assignment works towards are:

- Examine the effective use of CRM in sales and marketing functions to recommend a CRM strategy and tool.
- Analyze Customer Relationship Marketing best practices in order to provide strategic customer focused marketing tactics.

The specific learning objectives that will be achieved by the learner are:

- Explore different CRM tools, models and strategies in order to understand which platform(s) may best work.
- Recommend the best CRM strategy and tool to improve customer relationships for an organization.
- Create a strategic customer relationship marketing plan for an organization.

Assignment Instructions

Design a thoughtful and professional CRM audit report in a Word doc (20%) *and* a PowerPoint presentation (10%) that showcases your expertise as strategic marketing consultants. Throughout the term, time will be set aside in class for you to work in your groups on this and/or consult with your professor. If possible, make time to visit the organization's physical location to experience the offline presence.

Assignment 3 | Customer Relationship Management Audit (20%)

Design & Content Considerations

- Make it look slick and professional to capture and hold the client's attention – assume they'll skim, not read every word.
- Be concise and crisp – revise and edit your final report to avoid repetition, unnecessary information, and redundancy.
- Avoid the temptation to put recommendations throughout the report – keep them for the executive summary and for Step 4.
- Work on formatting that is easy to follow. Avoid long blocks of text – create headings and sub-headings, write short paragraphs limited to one topic, and use bullets or numbering for any lists.
- Try to limit your report to 10 pages (not including cover page, table of contents, executive summary, references and appendices)
- Use graphics or images throughout the report. Put larger graphics (i.e. persona, journey maps, etc.) in the appendix.

Sections of the Customer Relationship Management Audit

Executive summary (audit report only)

This is a maximum one (1) full-page summary of the report's **purpose**, **key findings,** and **full recommendations**. Assume it's going to the CEO who won't have time to read the full report but needs to understand what's in it. This is the last thing you write once everything else is done. Remember, it's also your first impression! *Do not include in the presentation.*

Step 1: What needs to be done?

1. Provide an introductory paragraph to introduce us to this report. Give us the **purpose of this report.**

2. **What is the client's overall business goal?** Based on the client brief and Q&A along with on-site visits and employee interviews, uncover the client's main goal. You may go in with your own hypothesis, but make sure you confirm via primary research. **Focus on one specific goal that is SMART –** specific, measurable, achievable, relevant, and time-based**.**

3. You also need to understand how – is it by acquiring new customers, developing existing customers or both? **What would be the key CRM objective(s) to help accomplish that goal? This should also be SMART.** Add on the "how" to the objectives laid out in the client brief and any other CRM objectives that might be missing in help the client achieve their business goal(s).

<u>Step 2: What is the current state of CRM?</u>

1. Provide an overview of the client's current **CRM strategy** – are they currently using a **CRM model (i.e. IDIC, Value Chain, etc.)?**

2. What does the competitive landscape look like? **Identify the key players** and create a **competitive positioning matrix** based on the client's value proposition in relation to their competitors. Remember to include research here on competitors justifying the positioning matrix you've created (provide the "why").

3. Based on the competitive matrix, explain how their customers are currently **experiencing value** (in exchange, in use, and/or in experience) **and craft the client's value proposition.**

4. Then identify the **client's organizational structure and internal stakeholders** – those that interact with customers. Explain **which CRM tool** they are currently using, and provide the **internal requirements** (i.e. lead management, cross-sell, etc.) for the CRM tool.

5. Identify **other martech tools** that may interact with their CRM tool (i.e. marketing automation, analytical tools, social media channels, etc.) and their usage. What are the different **data collection points** (i.e. point of sale, app information, CRM, website, location, etc.) Explain how the data is accessed and what information is being collected.

6. Explore the client's segmentation model for **both their target market AND existing customers**:
   a. How do they segment their **current target market** (i.e. their prospects)? **Describe the segmentation**.
   b. How do they segment their **existing customer base**? Do they use a **customer segmentation model** (RFM, CLV, BCG Matrix, etc.)? Do they have any **Strategically Significant Customers**?

Assignment 3 | Customer Relationship Management Audit (20%)

<u>Step 3: What are the missed opportunities and gaps?</u>

1. To better understand the market segment, **create a persona** based on the target market segmentation you've identified. *Note: you may put the persona graphic as an Appendix but tell us about the persona in the report itself.*

2. Then map that persona's **customer journey** – with awareness, interest, consideration, purchase, onboarding, loyalty, development and advocacy. Identify the customer **pain points** along the journey along with missed opportunities/ gaps related to marketing tactics for demand generation, lead nurturing, or customer development, etc. *Note: you may put the journey in the Appendix, but you need to walk your client through key findings from the journey in the report itself.*

3. Is the current customer segmentation model working for them? Identify **any issues with the current model** (or lack of one).

4. Going back to the client's internal stakeholders and use of their current CRM tool, identify **any gaps** in the **organizational structure** AND **CRM usage** that is preventing the client from making strategic use of their CRM to achieve their goal.

<u>Step 4: What are the recommendations to achieve the dream state?</u>

Note that the recommendations need to be <u>**specific and actionable**</u> – that is something the organization can use and do something about. If you are too broad or too vague, then your recommendations are easily dismissible. <u>Save all your recommendations for this part of the project – resist the temptation to put them elsewhere (other than the executive summary).</u>

1. Start building your dream state that would help you accomplish the **client's SMART business goal(s)** from Step 1. Recommend **a CRM model (i.e. IDIC, Schema, etc.)** that will help them accomplish that goal.

2. How should they improve **their (target) market segmentation**? Do they need to change their (current) **customer segmentation model (RFM, CLV, etc.)?** Are there any **other Strategically Significant Customers** they should focus on?

Assignment 3 | Customer Relationship Management Audit (20%)

3. Based on the gaps identified in the customer journey, recommend **actionable marketing tactics** to help meet **the CRM objectives.** How can the organization generate demand? Capture leads? Convert and onboard? Retain and enhance loyalty? **Make sure to align to the appropriate stages of the customer journey/ marketing funnel**.

4. And then define what success should look like by laying out your **Key Performance Indicators (KPIs)** related to the tactics you've identified**. Research industry benchmarks or provide justification for the numbers (yes, you need to put a number!).**

5. Based on your recommended marketing tactics, **which CRM features and Martech tools would you recommend**? As an example, you may need an updated CRM tool, recommend specific uses of their current tool or add on some martech tools.

6. Then map out the **changes needed** in the **organizational structure** to action these marketing tactics to meet the organization's **CRM objectives**. Are there employees who should be using the tool but don't? Are there external resources your client might need like vendors, agencies, consultants, etc.? Or a new hire? **This must be linked to the internal requirements and gaps you've uncovered in Step 3**.

7. Based on your recommendations, finish the report with **a new value proposition** for the dream state. Concluding by telling us how this will help the client **achieve their overall business goal**.