

Customer Relationship Management – Food Service Industry

Introduction

In each industry, Customer Relationship Management (CRM) has its best practices. However, the central key objective of such system remains the same – to develop a more efficient and effective sales process. This is done through the alignment of people, processes, and technology around optimizing relationships with clients to increase sales and build customer loyalty.

Food Service CRM systems are developed to provide visibility into the following items:

- Market Acceptance to New Products
- Competitive Activities
- Product Issues
- Emerging Trends
- Field Sales Team Productivity

The top right diagram depicts the 3C's Framework that our consultants developed over the years to ensure successful CRM program for Food Service Industry. Elaborations of each component are presented below:

Comprehensive Profiling

One of the most important aspects of a CRM system is customer relationship information. This differs from normal customer database, where fields are used to keep only specific information inputs. In CRM, interactions between customer and your firm, be it through a sales representative or company's

CRM-C 3C's Framework



website, will be kept for future use in extracting valuable information. Therefore, it is imperative that you know your customer well by filing complete information on customer profiles.

In practice, the search function of a CRM system will be what your sales and marketing teams most utilized. Correctly filtering your list of known customers and prospects to identify the subset that meet a chosen set of variables is only possible if the profiles for each customer are complete. Thus, one needs to be careful when setting fields in customer profile page as optional as there is a strong tendency for end users to leave out vital information. Missing information may lead to poor search result.

However, having many mandatory fields is also discouraged. If a field is not important enough to be required for all accounts, then take it out. Do not overwhelm your end users with the burden of keying in data. Doing that will only create great resistance toward your newly introduced CRM system and can potentially lead to project failure.

The best approach is to pick a handful of commonly used "Search Criteria" fields and require these as part of every profile. This will allow you to search and filter the entire list and more accurately represent the characteristics of your customer and prospect list.

Categorization and Segmentation

In Food Service, most of your sales representatives time will be spent on, amongst other things, following up leads from headquarters or distributors, putting out fires, dropping off samples, doing ride-withs, working food shows, or doing non-value admin tasks. Consequently, it is important to categorize between "Strategic" or "Focus" accounts, Target accounts, National accounts, LLO accounts, Big 3 accounts, regional Chain accounts, house-accounts, to appropriately allocate time for each account. All accounts are not equal and we need an easy way to segment them and manage them efficiently. A successful Food Service CRM will categorize strategic customers in a way that enables a more efficient process.

After segmentation criteria are established in your CRM system, the most important customers should be assigned directly to a member of the sales team. The more important the customer, the more experienced the sales person should be. These customers are deemed as worthy for long-term relationship management strategies and their ultimate purchasing outcomes become the primary responsibility of their assigned customer manager.

Continuous Feedback

Last but most importantly, there must be a channel whereby the sales team can provide information back to marketing to facilitate continuous improvement of the marketing & selling strategy. CRM is a dynamic process and constantly evolves in every industry.

When your marketing team launches a new product, it does so with as much Market Intelligence as they can gather. However, as hard as they try, they are still basing their expectations on assumptions and past experiences.

As your sales team begins to interact with customers and discuss the new product, valuable new insights and perspectives become apparent. A complete CRM process will include mechanisms for collecting and organizing this real-time market feedback, which will allow for more accurate segmenting and selling. The sooner the assumptions can be validated or disproved, the sooner the new product roll out can be fully understood and in some cases revised.

The newly collected insights can be in the form of reports and dashboards, where management can view the overall performance and market trend. These trends can help steer your company in the right direction by identifying which strategic accounts to pursue.