

10 Ways an Integrated CRM Tool Can Improve the Process in Freight Forwarding Sales and Operations

February, 2008 - The Customer Relationship Management (CRM) and sales process for freight and logistics is considerably more complex in today's dynamic global business environment than it has been in the past. For instance, the buying decision has moved from the shipping dock and traffic department to C-level influencers. The entire CRM process as it relates to freight forwarding has evolved and requires the tools to support this new paradigm.

There are a number of IT solutions available that can be applied horizontally across a variety of industries to automate the sales process and manage it through CRM. Most are adequate solutions. However, for logistics providers the optimal solution is an integrated ERP system that applies this discipline vertically, specifically for the freight industry, where CRM is an integral part of the supply chain solution as it relates to running the entire company from sales prospecting to quotes, operations, finance and an optimized logistics process. Following are 10 areas that can help ensure an effective CRM process for your company.

1. Single Solution for Management Visibility

The right CRM solution enables the sales team to be more efficient and sell more, provides sales management with visibility across the sales team's efforts, and gives operational management a view of what is happening in the street. In many cases these are fragmented solutions that may serve one segment more than another, and require multiple data entry. This can be better accomplished by a single solution that integrates information from sales, operations and finance. With integrated information, sales reps enter data that is used to facilitate increased sales and customer service. Management is able to utilize the same, uniform information for reporting and oversight without requiring additional data entry. Offering management visibility is simply a by-product of the sales effort.

2. Effective Marketing

Key to improving CRM and increasing sales is continually building the sales funnel through effective marketing to both existing customers and prospects. A proper freight CRM process can target marketing efforts based on attributes that only freight-specific CRM can deliver: shipment activity, lane segments, trade profiles, ect.

3. Data Efficiency

Sales and marketing is the first contact with the customer/prospect. Prospects turn into quoting opportunities, shipments, and revenue. If this customer record is entered into a CRM tool, then into a separate freight system, and then financial system, there is no efficiency from the original point of origin. IT solutions with an integrated CRM process enables sales, operations, and finance to work from the same records, increasing companywide operating efficiency.

4. Ensure Data Quality

Data quality is even more of an issue for companies than efficiency. Changing customer organization details, contacts, and procedures is an administrative nightmare with multiple data systems within a company. A single data system with a common point of customer input ensures the entire team – from sales through operations to finance – has access to the same updated information to ensure a quality flow of information.

5. Improve Customer Experience

The sales process begins with your company contact sitting down and across the desk from prospect/customer asking for business and committing to SOP's. Communicating these SOP's to operations and adhering to them is difficult. An integrated CRM solution extends beyond sales, allowing the a customer profile to be established that includes operations. A properly integrated CRM solution does not require sales to send memos, but rather enables the system to automatically inform operations of the dos and don'ts of managing that account.

6. Create Sales Management Visibility

Sales and CRM effectiveness are ultimately measured with numbers. Management needs visibility of sales efforts to evaluate operating performance and strategy. Asking what issues are effecting sales is an important element in establishing visibility of the operating process. Is there a common theme that can lead to opportunities if addressed? How many calls are being made, what is the call cycle for major accounts, how does the sales funnel look for the next week, month, quarter and year? These are all metrics that can be harvested from any good CRM process, but an integrated CRM procedure enables these items to be segmented by quotation and tonnage, pulling reporting information from throughout the system

7. Quoting and Communications

Quoting is the second, and often the most important step in obtaining business for your company. This can be as simple as a one-time ad hoc shipment or as complex as a request for a detailed proposed rate study. Everything sales has done up until that point must be accessible to sales and operations for quoting. Anything quoted must be communicated to sales. An integrated IT-based CRM program ensures a more efficient and effective quoting and communications system to the sales department and beyond.

8. Transparent Data Repository

A properly utilized CRM process offers transparency to the customer relationship within a logistics operation. Ultimately relationships are between the customer and the logistics company, not individuals. An integrated CRM process allows for a smooth transition in the event of staffing changes or employee turnover.

9. Improve Financial Visibility

Your sales department needs a single point of access for client intelligence, quoting visibility, and financial visibility. A single integrated system will provide this while ensuring security and giving access only to the information required to complete specific tasks necessary within the supply chain process.

10. An Effective Sales Process

The obvious and most important value question asked about CRM should be: “Does our CRM process help sales reps work more efficiently and increase customer interface, or does it detract from time spent pursuing prospects to enter additional information needed by sales management and operations?” An effective CRM effort generates comprehensive, relevant reports and permits the sales process to increase the time spent with customer interaction. An integrated CRM system seamlessly benefits sales management and operations on the backend without redundant entry by sales. It enables sales to manage customers, develop call cycles, and become more efficient as a company. An inadequate CRM tool will be met with resistance. A good CRM process self-perpetuates with sales and customers. As the sales department sees their efforts integrating into the calendar, eliminating manual call reporting, and offering their customers better results through customer service, they realize it maximizes their earning potential....just don't tell them it's a management tool.

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