

CRM in RUSSIA

“Battling the Bear”

CRM: Conference, Exhibition, Workshop
Hotel Intercontinental, Belgrade, Serbia
April 4. 2007

CRM in Russia

- Introduction – Your Host - Rick Macy
- Rick's Russian Work Experience Includes:
 - Russian Cellphone Company
 - 2 Russian Fixed Phone Companies
 - Russian Cable TV Company
 - Russian Yellow Pages Company



CRM in Russia

- Is CRM in Russia Special?
- Is CRM in Russia Different from CRM in Other Places?
- Is CRM More Complicated Due to 'Special Features' of the Russia Character?
- Can CRM Work in the Land of Putin???

CRM in Russia

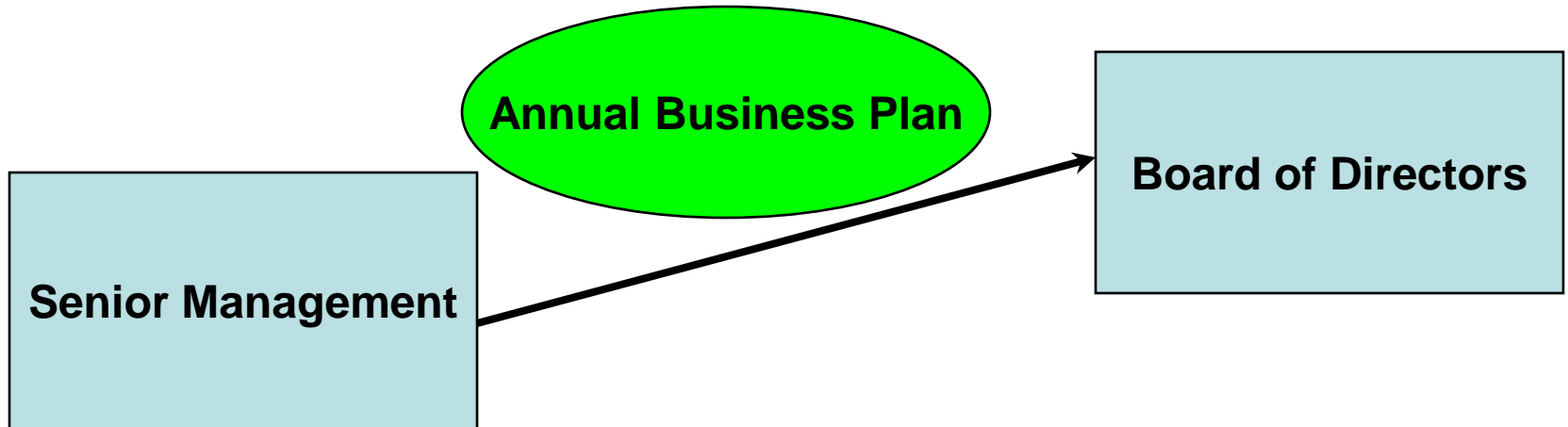
- CRM in RUSSIA is...
- JUST LIKE CRM EVERYWHERE!!!!
- IT IS A HUGE PAIN (and a lot of work)!!!!
- And relies upon your ability to accurately measure your business...
- So – the question is really...

So What is the Question?

- The Question – IN ANY COUNTRY – is...

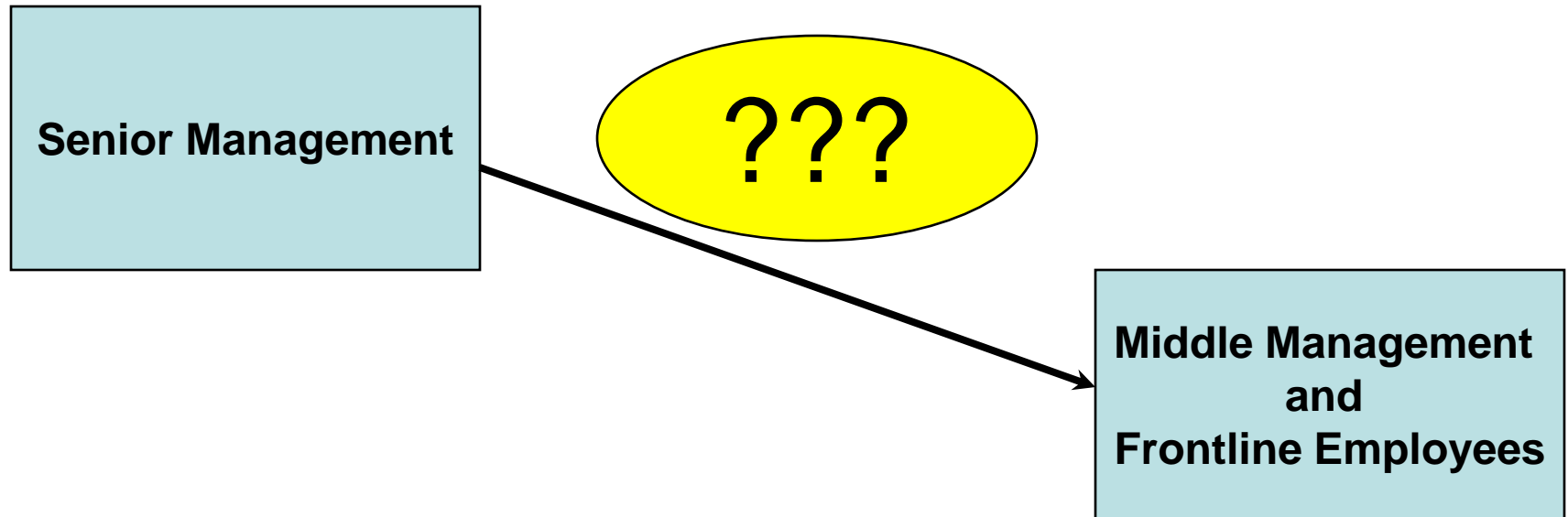
***Why is
Measurement
so Important for
CRM?***

Why is Measurement so Important for Effective CRM?



- Traditional Business Planning Flows Upward from Senior Management to the Board

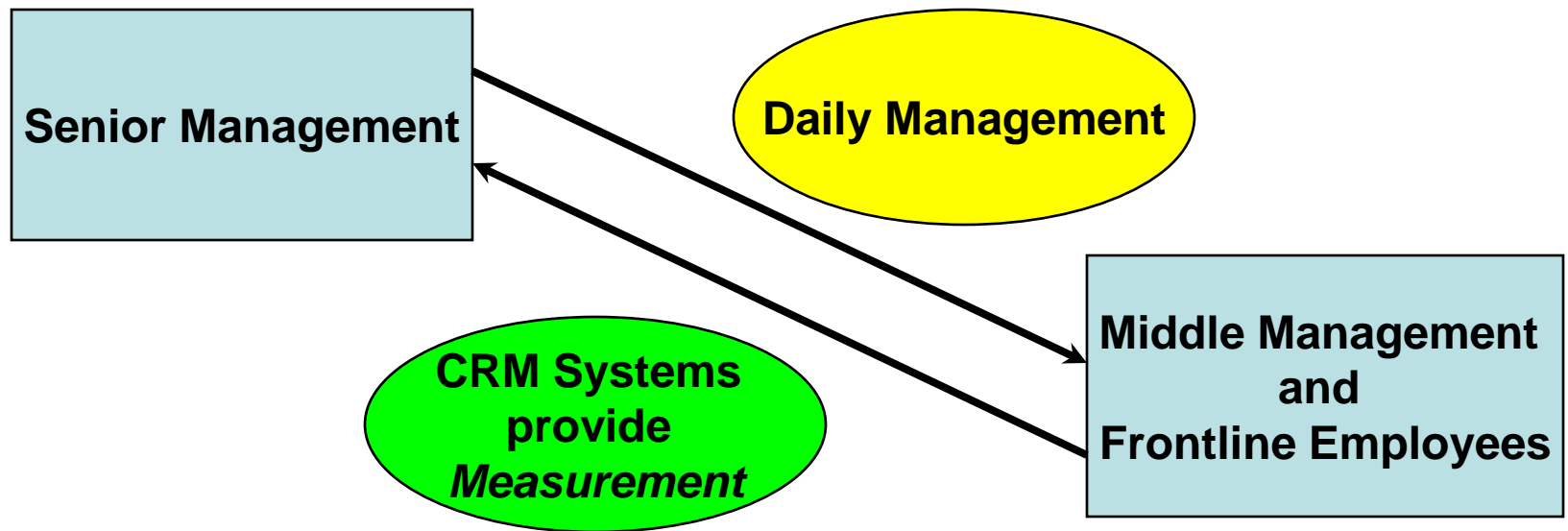
Why is Measurement so Important for Effective CRM?



- But What Flows Down to Ensure the Processes are in Place to Deliver the Business Plan Results?

Why is Measurement so Important for Effective CRM?

- Is the company structure built to deliver the results promised in the business plan?
- Have key company processes been updated to reflect the business plan?



CRM Measures and Tells You Where You Are

CRM Systems Can Provide Top Management with Measurement of:

- Customer Contact Information
- Revenue
- Products
- Churn
- Tariff Plans
- Sales Forecast
- Statistics for Benchmarking (including Customer Profiling and Segmentation)

Using CRM Measurement as a Tool, Management can Make More Effective:

- Sales Plan
- Churn Plan
- Product Plans
- Tariff Plans
- Training Plans
- Organization Structure for Sales & Customer Service
- IT Infrastructure Plan

Examples of What to Measure for CRM

- **Forward Looking**
 - **Sales**
 - Is Your Sales Forecasting Accurate?
 - Is Your Sales Funnel Big Enough?
- **Backward Looking**
 - **Account Development/Customer Service**
 - Are You Doing Enough to Maintain Your Customer Base?
 - Are Revenues Growing or Reducing?
 - Are New Services Being Marketed to Existing Customers?

Examples of What to Measure for CRM

- In 1997 a Russian CLEC connected approximately 11,000 fixed phone lines
- The 1998 Business Plan had a goal of 18,000 new fixed phone lines
- What would make sense to check?
 - Productivity per Sales Person
 - Amount of Sales People
 - Monthly Sales Trends

Examples of What to Measure for CRM

- In a CLEC with the following data what changes would you make to achieve a business plan that required Sales of 20,000 new lines?

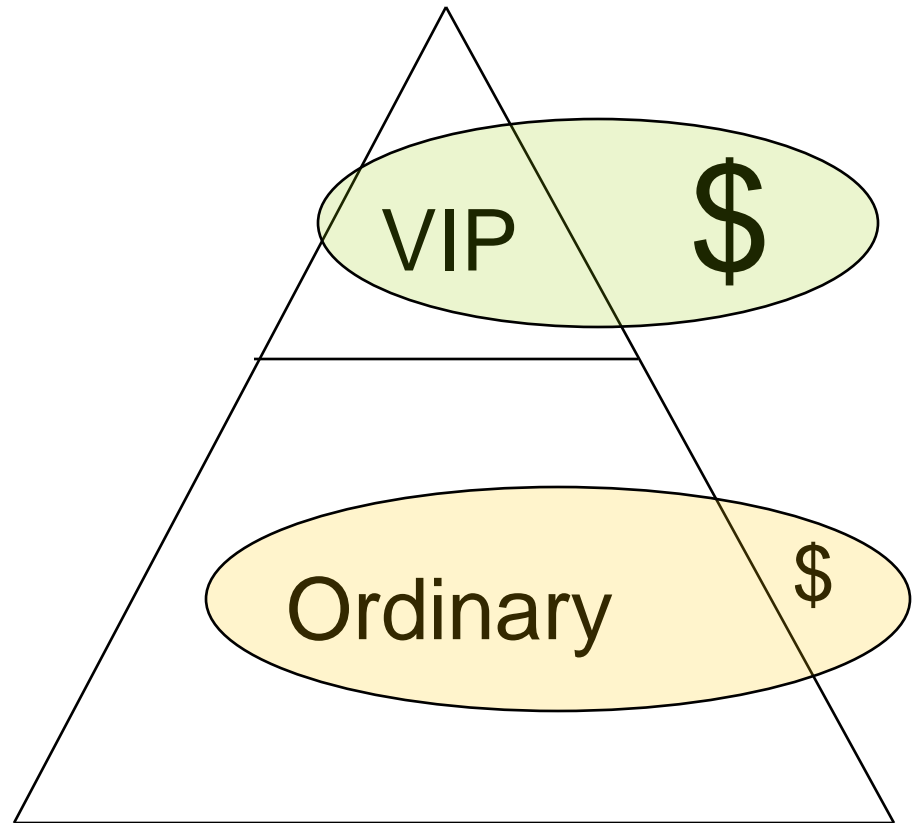
Year	Lines	Contracts	Contracts/ Month	Lines/ Contract
1	12,188	2,857	238.1	4,27
2	11,363	2,999	249.9	3,78
3	9,167	3,428	285.7	2,67
4	9,856	4,050	337	2,53

How to Use CRM Information to Decide What is a VIP Account

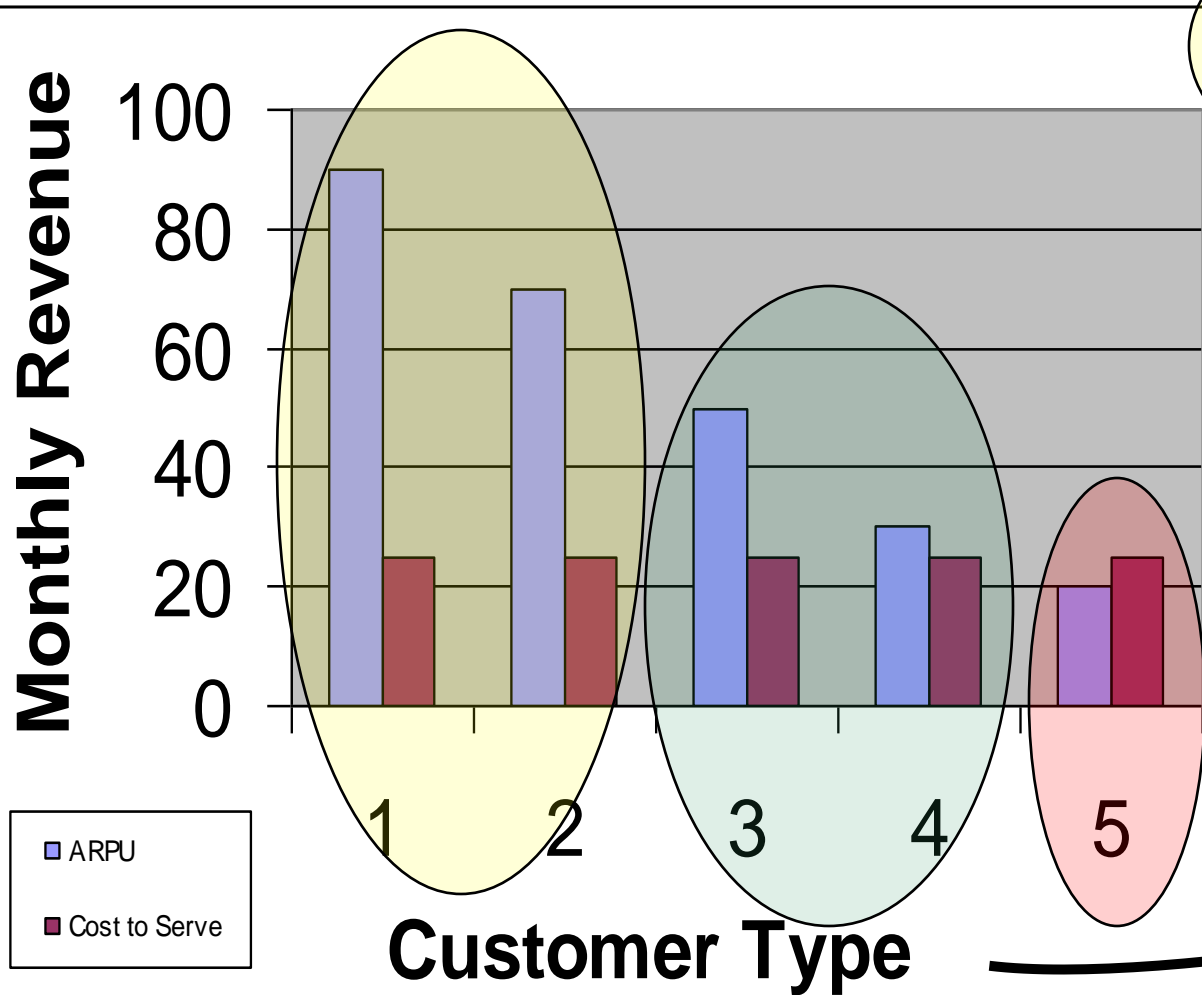
- Revenue/Profit
- Potential Revenue/Profit
 - Quantity and Types of Services
 - Company Name – Fortune 500?
 - Perspective of Additional Future Business
 - Business Type
- Politically Sensitive Customer
 - Government
 - Companies in Common Shareholding Structure

Segmentation by Customer Revenue

- 80/20 Rule
- Few Customers Give Lots of Revenue
- But is This Enough?



Segmentation by Customer Profitability



1 VIP Maintain
2 VIP Develop

3 Serve via Call Center
4 Serve via IVR

5 Hope they Leave!!!!

Analysis of Effective Loading of VIP Account Management Personnel

- How Much Revenue is Being Protected by Your Account Management Team?
- Measure Revenue Monthly and Compare
- How Many Accounts per Manager?
 - There is no Right Answer
 - However, for a CLEC, between 20 and 50 depending on types of accounts

Goal Setting for VIP Account Management Personnel

- Revenue Analysis of Accounts
 - Can we get more Revenue?
 - Do we service all their locations?
 - Do we understand seasonal fluctuations in their usage of our services?
 - Do we visit the customer often enough?
 - Do we see decision makers?
 - Are they buying from our competitors?

Analysis of Effective Loading of Customer Service Call Center Personnel

- Call Waiting Times
- Amount of Incoming Calls
- Amount of Incoming Letters
- What Does Your Escalation Reporting Look Like?

Goal Setting for Customer Service Call Center Personnel

- Customer Retention
- Number of Calls to be Handled
- Percentage of Accounts Retained
- Number of Letters to be Handled

Major Types of Customer Service Work to be Captured by Effective CRM systems

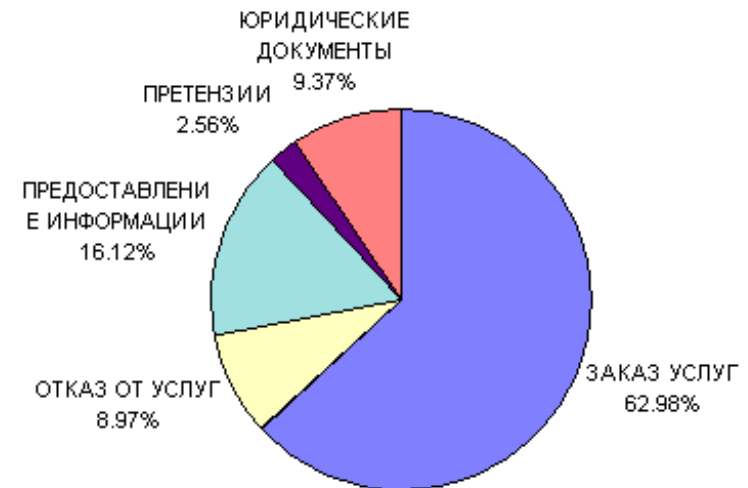
ПРЕДМЕТ ОБРАЩЕНИЯ	Кол-во писем
ЗАКАЗ УСЛУГ	644
автоответчик	9
аналитические отчеты	56
ввод в обслуживание	10
доп.линии, каналы и т.д.	19
дополнительные услуги	4
замена №№	2
карта связи	51
перевод на другие услуги	2
перенос	26
переоформление	153
перепрограммирование PBX	2
станционные услуги	169
тарифный план	77
другое	64
ЗАПРОСЫ ИНФОРМАЦИИ	0

ОТКАЗ ОТ УСЛУГ	123
временный вывод из обслуживания	32
отказ от дополнительных услуг	6
полное освобождение	85
ПРЕДОСТАВЛЕНИЕ ИНФОРМАЦИИ	194
информация в "09"	3
ответ на запрос ПетерСтар	18
письмо на узел	23
платежное поручение	66
реквизиты	38
другое	46
ПРЕТЕНЗИИ	58
качество предоставляемых услуг	24
коммерческие условия	3
спорные звонки	14
счета/платежи	16
другое	1
ЮРИДИЧЕСКИЕ ДОКУМЕНТЫ	60
акт	1
гарантийное письмо	7
договор аренды	1
договор, спецификация, доп.соглашение	49
платежи	2
ИТОГО	1079

Major Types of Customer Service Work to be Captured by Effective CRM systems

- Orders,
- Refusals from Service,
- Information,
- Claims,
- Legal Documents

Распределение обращений по категориям



Why is Measurement so Important for Effective CRM?

- **Conclusions**

- **“If you do not measure it, then you cannot manage it!”**
- **Remember - CRM Systems are only Tools**
 - **and like any tools they rely upon the intelligence of their user**
- **However - CRM Systems are powerful tools, used well, can provide timely insight into your business**

Why is Measurement so Important for Effective CRM?

ANSWER: BECAUSE YOUR BOSSES MEASURE YOU!!!!

Whether they are Bears or not!

THINK ABOUT IT!!!