

*Sarah Chambers*

## **CRM strategy**

### **Why is a seamless customer journey so important?**

From the largest multi-arts complex to the smallest venue; from National museums to local galleries; from established concert halls to art-house cinemas discussions are being had by staff about customers and their journey through their organisation. From the very first piece of communication you send them through to their experiences of your building as they leave: everything you do contributes to whether or not you are able to create a good relationship with an audience member – one that has the potential to last over a period of years.

Customer Relationship Management (CRM) is a term widely used when referring to a business or organisation's interaction with its customer or visitor. There are lots of definitions, varying in complexity, but at the heart of all definitions is a simple unifying factor: an organisation making it their goal to ensure a commitment to their public – in customer service, in efficient communication and in great content or product – so that the customers' journey with them feels seamless.

CRM simply describes the technology, marketing strategy, customer service principles and research protocols the organisation uses to achieve that seamless journey.

#### **Tracking interactions**

In a cultural context, CRM has become particularly relevant. Broader digital aspirations, more sophisticated commercial models and the new wave of global touring or broadcast has led to multi-faceted 'entry-points' for the public into an organisation's work. It is no longer only those who buy tickets or visit the venue the average marketer needs to worry about, but also those people download resources online, eat at the cafes, browse the shops, see you on tour or follow you on twitter who are all part of your wider community.

These interactions can be notoriously hard to track - yet the harsh reality of tighter budgets (and an even bigger push for sustainable income generation outside of traditional ticket sales) has meant those interactions have become even more crucial to understand.

Maximising secondary spend in venues, monetising digital content efficiently and building a healthy membership that delivers ROI beyond discounted transactions are all key 'must-dos' amongst the Marketing Directors. And all of these things have their solutions in the creation of an effective CRM strategy.

This financial imperative to tighten and improve organisational CRM is matched with a demand from the customer for a better all-round experience and emphasis on 'relationship'. As consumers we all have experienced CRM at its best – the targeted

communication from our supermarket that leads seamlessly into a tailored in-store experience; the great service from the online retailer who locks you into a long (but loving) relationship purely from the power of their targeted online marketing or even the local garage or hairdresser who, through limited means but unlimited attention to detail, gives you such impeccable customer service that the 'sales pitches' for the next level of service seem entirely natural, and in fact welcome, such is the trust and relationship you have formed.

Yet in the Arts it could be argued that we have fallen a little behind the curve when it comes to CRM. We have the power to leverage a real emotional connection with our audience or visitors by virtue of the fact we offer such a creative impactful product. Shouldn't it follow, therefore, that as a sector we would find it easier to maintain engaging relationships? That in the Arts we would be leaders in providing customers with journeys that go beyond transactional exchanges? Although this can certainly be the case – there are quite a high number of examples of where the most mundane consumer brands can be more adept at tracking and strategising, and achieving deeper levels of engagement from their customers than the arts. After all, who would have thought people would vote in their millions for a new flavour of crisps?

### **Investment**

In contrast to many other industries, the reality of this situation is that investment in the tools and infrastructure to achieve good CRM (IT, databases, marketing, research) has not been sufficient or consistent enough in most major arts organisations, be that due to the available budgets or the lack of specialist skills. A lack of solid infrastructure can have a real impact on an organisation's ability to create the foundations on which strong CRM is built.

That said, it does feel that many organisations are really now aligning themselves with a 'CRM philosophy'. Terms like 'customer-centric', 'participatory practice' and 'relationship management' are widespread, and all putting the customer at the beating heart of the operation and the content.

In order for these sentiments to bear fruit, however, it is crucial for the organisations concerned (usually with the commitment and leadership of the Marketing Director or CEO) to have the resource and support to 'unpick' the many different arms of the CRM cycle. And even in the face of detailed (and at times frustratingly difficult) work, maintain a commitment to constructing a robust CRM strategy that also has a big dose of common sense and organisational commitment – from how to engage senior management and the board in theory, through to understanding how any changes will really affect front line staff and customers in practice.

## What could CRM look like in your organisation?

CRM is a cyclical process, which firmly places the customer at the centre of the operation. It really involves you as an organisation thinking through all aspects of the customer journey and tidying up your processes and messaging.

When working with organisations on this process, I have found it beneficial to break the 'customer journey' up into the following 4 recognisable stages.

- **Prospecting,**
- **Acquisition /Targeting**
- **Servicing**
- **Retention**

### 1. Prospecting (or 'Understanding your visitors')

For organisations to really embed an effective CRM strategy, they really need to first understand who the customers are. Too often organisations invest in 'bursts' of audience research, the results of which can be statistically too small to really trust (yet quoted by internal teams at the drop of a hat) or too impenetrable to relate to departments' day-to-day jobs (and ends up as a series of colourful but slightly tired graphs, in an old slightly tired report in various drawers!).

But there are simple ways to collect regular efficient information on customers and keep that information flowing through your organisation.

Tactics such as...

- ensuring good data capture by rewriting all of your internal data capture protocols from online registration to phone bookings
- installing a new CRM database systems to hold information (there are some great models on the market that can be cost effective)
- regular use of free or small subscription online survey tools for monthly research
- improving the regularity and recording of feedback from customer facing staff and using them to support rolling research programmes
- monthly department 'roadshows' sharing headline research results relevant to people's daily duties

...can all lead to a consistent, reportable and most of all relevant 'drip-feeding' of real time information on your audience and their trends. These things need not be prohibitively expensive; it's about assessing how you as an organisation currently capture information, where you could capture more and how you are spreading that information.

You may have an in-house staff member who could audit all of your current research and data processes for you, or you may invest in external eyes to draw you up a matrix of your current data and research processes and ways they can be improved. Either way, a

timetabled and systematic approach will ensure a solid foundation of research and data from which to build your relationships.

## **2. Acquisition & targeting (or 'How you communicate')**

Segmentation, targeted marketing and the avoidance of mass communication are not new terms and are widely practised in UK arts organisations. Yet I think we would all hold our hands up to certain pockets of our organisations were the 'send-it-to-everyone-and-I'm-sure-someone-will-bite' attitude still prevails. There can certainly be pressure at times to consider quantity rather than quality when it comes to marketing tactics. However, for a CRM approach to really work, the customer needs to experience a level of personalisation that only targeting and considered, strategic acquisition can give.

How far and how detailed you take this is really down to your organisational capacity and resource, and there is no value in running over-complex, multiple-strand, segmentation systems. I have certainly experienced some organisational approaches to targeting audience segments that feel good on paper, but are really hard and complicated to get to work pan-organisation in reality.

The truth is there are some good segmentation models out there – which can be built into your data by research agencies – as well as good agencies or researchers who can support you in data mining. But if this approach is out of your budget, having a clear communications plan that determines who you communicate with, with what message and at what frequency, can be the best, most impactful way of ensuring customer targeting.

For example, a cross-departmental plan for how you deal with your new visitors as opposed to your loyal fan in terms of tone of voice and welcome, or a strategy for understanding which customer to target for increased secondary spend and which to avoid sending commercial messages to, can be easily implemented, tracked and embedded. And the key to the plan being a success is that these approaches and messages must be systematically put in place in every area of the organisation and understood by every department – from marketing to shop staff, box office call centre to social media officer.

## **3. Servicing (or 'How you welcome people')**

We all remember a time when we waited nervously for an interview for an organisation we later went on to work for – and had heads crammed full of ideas or 'things we'd love to change' about the place if we got the job. Of course, those ideas and first impressions diminish over time – yet for the customer those first impressions are fresh, every time. The initial welcome, the ticketing system, the facilities, the atmosphere, the exit, the follow-up are all component which make up the full night (or day) out.

To give a CRM focus to your organisation you must be critical, impartial, and above all, unafraid to make changes in all areas of the visitor experience. It is a crucial part of the CRM cycle – and one which can let the most well established, well-known organisations down.

You can pull together a sensible plan for organisational improvements in this area simply by reminding yourself of those first days at work. Some quick-win tactics could be:

- Take around a group of new visitors around your venue and ask for immediate honest and open feedback
- Invest in a professional ‘mystery shopping’ company to audit your services
- Talk to all customer facing staff about what they feel could improve
- Weave in customer satisfaction and experiential questions into your on-going research

Whatever your budget, whatever your size, a systematic and (really importantly) impartial audit of all aspects of the customer journey should be undertaken. And it should be undertaken with the simple objective of making the customer visit the best and most quintessentially ‘you’ that you can make it. Getting agreement from your board or senior management on what being ‘you’ means is also important. Brand values of the organisation should permeate the experience – not just in the obvious things like signage and décor, but in the things that make an impact, like the way people are welcomed by a member of staff as they enter the building or the tone of voice that is used in the follow up email to their visit.

#### **4. Retention (or ‘Creating loyalty’)**

To complete the cycle you want all of your hard work in understanding, targeting and servicing audiences to pay off with good honest customer loyalty. But all too often in the Arts we can see out-dated (and sometimes dwindling) membership schemes as our barometers of customer loyalty. Membership is certainly a useful tool to help drive repeat attendance and ‘stickiness’ to an organisation, but loyalty is much more than whether a person buys an annual subscription to get discount tickets. With so many entry points into our organisations, loyalty is about how you create a sense of community and care for visitors.

Also, it is important to remember that demonstrating loyalty to one individual might be visiting twice in 5 years whereas for another it is twice in one month, but both may respect and talk about your organisation in equal measure. Understanding what that spectrum of loyalty looks like in your organisation and responding creatively is where success lies. This takes us back to the start of the cycle: research. Good data capture, consistent data analysis and well-written questions around motivation can really be the backbone of understanding where that spectrum of loyalty is for you.

Once you understand the customer, you can then then understand how to engage on a tactical level. Sometimes it's a simple feel-good 'thank you for coming' email; sometimes it's an organised membership structure with tiered benefits; sometimes it's the creation of spin-off events or free online content that will guarantee interaction long after their visit to the 'main event' has passed. In any case, this process of understanding the spectrum of loyalty (or loyalty ladder) and the tactics for moving people into move engaged, retained relationships cannot be left to chance.

So in summary, it can be said that – as in every aspect of life – managing relationships takes work! You need to focus on all aspects of the CRM cycle from research to retention. And although tackling all of these things may seem resource heavy or costly, in my experience they need not be either. Singularity of vision (that is, a commitment to creating the best possible seamless journey), making as few compromises as you can, and the ability to work in a way that gets departments and staff behind the ideas and new ways of working, are the keys to success. And those things are not reliant on money or extra staff. Most important of all is working through the cycle with clarity and 'completeness', understanding that all arms of the CRM strategy need to be aligned and then making sure there is the commitment and motivation from the necessary team to get it off the ground.

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