

## CRM ride on for Avanti

When local cycle manufacturer Sheppard Industries wanted a mobile CRM solution that could operate with full functionality both on and off-line, it opted for Crossware CRM - built on IBM's Lotus Notes...



The Sheppard Industries Group owns the Avanti bicycle brand which is the market leader in the New Zealand bicycle industry. Sheppard was one of the first bicycle manufacturers to embrace the internet as a medium to interact with its customers – and the company now conducts around 50% of its total business with its retail channel via a web solution from Conduit. Having moved most order taking and other tasks from its sales force to the web, Sheppard began looking for a way to further strengthen its relationships with its dealer channel.

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“What the cycle dealer wants from us is pretty simple,” says Sheppard Group IT manager Chris Runciman. “Great product, great supply and a great price – and our web channel helps us deliver on that. But beyond those things there were definitely aspects of our day-to-day interaction with the dealers that weren’t specifically related to the ‘transaction’. With our account managers freed up from rudimentary order taking and so on, there was an opportunity to get them feeding back a whole range of marketing information and we needed a solution for managing that.”



Although the Sheppard account managers had been using laptops since 2000, their information capture had proved to be somewhat random, lessening the company’s marketing advantage.

“They were emailing back information about our products, competitive or service issues,” says Runciman, “but the emails could sit in somebody’s inbox for days, or even get overlooked altogether, so we had to be able to capture that information in a way that allowed us to manage it to a resolution.”

### CRM on the move

The search for a solution involved evaluating numerous vendors, but Sheppard ultimately opted for Crossware CRM built on the IBM Lotus Notes platform. The solution is fully functional both off-line and online says Runciman, a factor that was very important in getting reps to embrace it – staff acceptance being a critical component of any successful CRM implementation. “The reps are instore or in their cars filling in the details of their call,” he explains, “and they’re able to do this all off-line, which makes it a lot less hassle for them. Then at the end of each day they synchronise with our head office server, and

everything is up-to-date."

Any changes to the software or graphic displays are also taken care of during the synchronisation he says. "It's great. From a software client management perspective, there's no sending out CDs or downloading a six megabyte file just to change a few lines of code, as this all happens during the synchronisation process. The Crossware technology is all based around Lotus Domino which allows you to custom develop applications quickly. They're very secure solutions and they can be synchronised over very low bandwidth connections."

#### **CRM failure rate top-of-mind**

Explaining the development process for Sheppard Industries, Crossware director Ken Fairgray says any organisation looking to implement a CRM solution needs to face up to some pretty daunting statistics. "We sit down with senior management and explain the failure rate of CRM projects," he says, "which is typically around the 70% mark." As mentioned above, the most common reason for a failed project is users not accepting (and therefore not using) the new systems. "I would say CRM projects only work if the directive comes from senior management," says Fairgray. "Projects that are driven by human resources or marketing departments for example, are more likely to fail."

An important point to get across, he says, is a more thorough understanding of what good CRM actually entails. "For CRM to work properly it's important that everyone is using it, and everything that happens with a client is recorded – otherwise you're only building up a partial picture." Systems that just track sales contact are more "lead tracking or prospect tracking" says Fairgray – and far from complete CRM. "True CRM is when a sales person can look at a client's record and see not only their contact with the client – but the contacts of every other person in the company who has interfaced with them."

In the case of Sheppard Industries, Fairgray says sales reps can now call on their customers with complete knowledge of all that customer's interactions with the company. "Whether it's something being dealt with by the finance department, or a warranty issue, or maybe a manager – they know exactly what's going on, what's pending, what's been completed and what issues there are outstanding."

#### **From contact to resolution**

Like most companies, Sheppard Industries has always been focused on quickly and positively resolving customer issues, says Runciman, but also, like many companies, action items have been known to fall through the cracks. "If it was a faxed issue," he says, "perhaps it might get lost in somebody's in-tray or may not be forwarded to the right person." Not so with the new solution however. "If a rep synchronises and there is a warranty issue, for example, then the CRM server sees that and notifies the warranty officer via email. They then double-click the link in their email and it opens up Lotus Notes to the exact screen that the rep entered the problem into." No more launching applications and navigating through numerous screens to find the issue.

As a result, Runciman says the feedback from sales staff is very positive. "They're saying that head office is now dealing with issues far faster than we were previously," he says. "Whether it's an issue with courier delivery times or requesting an enhancement to a product – the system ensures these issues are closed off quickly and the escalation processes are in place to make sure nothing is sitting in the queue for too long. Nowadays the clock literally starts ticking when a client makes a request; we know exactly who is dealing with it and when it must be resolved."

With Crossware CRM in place since September 2003 Runciman says Sheppard Industries now has the right tool to change the culture of its sales force. "We're moving from simply meeting dollar value sales targets," he says, "to giving us a real valueadd. The whole idea is 'how do we get closer to the consumers' needs to make sure our product range is hitting the spot?' To do that we're listening to our dealers – and we're now able to respond to them in a cohesive way."

#### At A Glance

- **Business objective:** To enhance Sheppard Industries' CRM functionality, allowing the company to significantly improve communication flow and issue resolution.
- **Solution:** Crossware CRM built on Lotus Notes – a solution that "works how people work".
- **Business benefits:** Sales reps able to work both on and off-line, faster head office response times to customer issues, efficient and thorough customer contact record keeping, easy software updates with low maintenance costs, company-wide involvement.

Visit Crossware exhibit in the CRM Pavilion by clicking [here](#)

#### For more information

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