

CRM is not about data



By [Mike Taberner](#)

25 Feb 2013

I am seeing many people talking about the virtues of big data and what this will do from a customer relationship management point of view. While I agree that the opportunity to dig deeper into your customer and their habits will be greatly enhanced, I fundamentally disagree with the idea that CRM is about the data.

It's about relationship and planning

The sooner organisations realise this, the better. I hear all of the pundits out there rising in unison saying that the data will give you the relationship. This is simply not true. Your organisation can only build relationship through active engagement. This does not have to be a one to one approach, it does however have to be an engaged approach.

As with your basic product life-cycle process, your customer relationship management must consider the life-stages in which your customer is. Beyond the data facts that I am in the 40-49 bracket, have two kids, two cars, three dogs (your data does not tell you this), where exactly am I in my life stages. Statistically you could lump me with many other people in similar places based on this data, and spam me with offers you think I may like, or you could actually try to form a relationship with me.

People are not One's and Zero's

The biggest issue facing customer facing businesses is the threat of reducing their consumers to one's and zero's. Data, big or otherwise, is simply a combination of ones and zeros and this fact should never be overlooked. If you treat me as a statistic, then I can and never will, become engaged with your brand. I will always operate within your statistical limitations. This means, I will take from you those items that mean something to me, as opposed to you advising how I can develop based on what you have to offer.

People buy from people

Many organisations are currently overlooking this fact. I am not sure whether this is because of the cost of employing people to sell, or whether it is because they feel their sales resource does not deliver. The truth though is that as you remove people from the equation, you only enhance the commoditisation process. We all know the dangers of commoditisation, or do we?

Final thought

Data certainly can provide insight on how you could interact with your customer, but should never be exclusively relied to decide on how you should engage. You need to find ways to engage actively with your consumers to ensure that your business is relevant and what you have to offer is worthwhile. You may just drop an offering because it is not making money, when in fact you could be charging more but only be selling to a select few.

Do you have a properly defined CRM approach or are your data mining your consumers and products to a pure commodity state?

ABOUT MIKE TABERNER

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