MAKING YOUR CRM READY FOR AI

Abstract

CRM is a rich source of actionable data for any organization. It includes customer information, sales and service history, customer interactions and more. This data can be utilized along with 'Artificial Intelligence' algorithms to predict patterns and take automated actions which help in generating more leads, improve sales, enhance product/service offerings, improve customer satisfaction and experience. This trend of AI is changing the traditional marketing and sales processes.

However, the challenge is to make organizational CRM ready for AI implementation with quality data, good governance and improved data source. This paper presents a viewpoint on the checklist to make CRM ready for AI.

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How do you make your CRM application ready to implement AI?

This paper presents the point-of-view to answer this question. It asks to focus on the CRM data first by improving data capturing methods, migrating clean and actionable data via integrations and third party sources. Secondly, to define analytical metrics and actionable triggers for those metrics based on inbuilt AI features of CRM packages. Finally, to improve AI capabilities via various tools and effective governance.

AI for CRM systems

A very simple definition of Artificial Intelligence/Machine Learning is the technology that can learn, analyze and do actions like humans do. Take an example of a good salesperson who can identify the target customer, can maintain good relationships to gather data required for a sales pitch and can provide the right offering of product or service. Can the AI features in your CRM replace this intelligence?

Yes, it is already happening! Look at the sites like Amazon and eBay on how they offer different products/options based on customer's search history; how banks offer you financial products or loans based on financial transactions, expenditure or credit history; how the hotel/travel booking websites can create campaigns or offers based on your past searches or itineraries during the calendar period. These AI features are already doing typical tasks of a salesmen. But how to build such AI features in CRM systems and what is the prerequisite?

The prerequisites are –

1. Data: Provide continuous and clean data for your CRM system to process.
2. AI algorithms: Implement tools or develop logic to process the data for actionable results.

Data or AI algorithms, what comes first?

Both data and algorithms are important to make AI work for a CRM application. Most of the CRM applications like Microsoft Dynamics 365 and Salesforce are already providing the AI algorithms / features with the product. Take an example of 'Dynamics 365 for Customer Insights' which makes predictive analysis from customer data, builds relationships from data gathered from different sources and provides actionable metrics. Similarly, 'Salesforce Einstein' which provides lead scoring based on the campaign responses and the lead information. However, these features work at their best only if you can feed their appetite with good customer data. So, the first necessity is to capture clean, latest and actionable data in your CRM applications.

What are the prerequisites for building actionable customer data?

The CRM systems should be able to capture the customer 360 degree information like contact details, communication details, campaign response history, interactions history, purchase history, product details, after-sales ticket/case information, social activity, machine/IP details used for online activity etc. This might need strategic application architecture including the integration with the legacy applications of the organization, cleaned data migration, well designed CRM forms and field structures, de-duplication and cleansing rules and integration with social networking sites.

• **Integrations**

Most of the times the customer data is spread across multiple corporate applications, like campaign responses in a marketing application, sales related data in CRM, invoices and purchases in ERP financial systems, feedback and grievances in a call center application, searches and queries in corporate websites and social networking accounts. The CRM should be integrated with these applications to fetch real time and key data about customer activities.

• **Go on Cloud and be Social**

Open up the ways on how customer can reach you. Conduct survey and take feedback via portal, social sites or third party methods. Bring social apps and provide incentives or loyalty offers for your customers who refer or bring more customers/leads. Move your application to cloud, to be more connected and available. The strategy helps in increasing your target base and helps in capturing more leads. Of course, this is more applicable to B2C businesses.

- **Data cleanup and auditing**

After you have the sources and the data, timely audit and clean it. Develop or invest on tools like address validator, spam filters, duplicate checkers etc. Decrease the free text fields and standardize the data into categories. For AI, organization needs the data which is accurate, segmented and latest to take action on.

- **Capture statistical data**

Beyond capturing the data from organizational surveys or campaign, the organizations have to also enrich it with the observed behavioral or statistical data. It can be received from the third party consulting, research or statistics organization. For example, a banking organization may find a lead suitable for loan offers based on the income but the Credit rating organizations may have the bad credit rating for the person, which makes him a wrong prospect. Unless your CRM system borrows such data from third party, it may not be ready for prediction or intelligent analysis.

What after capturing the data?

- **Define Metrics and goals**

Define metrics that matter your organizational vision. For example, if you are an organization into selling high end luxury cars, the data insight based on number of times a lead has visited your site may not be the idle metric to target, the metric may be based on the income group, age or other factors. Defining metric is like training your AI to learn which data is actionable.

- **Define actions**

Based on the data, metrics and AI capabilities of your CRM, setup actions or triggers. For example, if an existing customer for an automobile manufacturing company visits company website and searches for new vehicle, then based on the age of previous vehicle, search category, maintenance history of existing vehicle (distance travelled) or similar metrics, an action can be configured to create a new opportunity, to create task for the customer manager or to add the customer in a campaign. These can be achieved with features like Dynamics 365 'Customer insights', configurable workflows or customization capabilities of CRM. This builds an effective and simple machine learning/AI algorithm in your CRM.

Is my CRM ready for AI now?

Almost, your organization is now data ready and have started using the AI capabilities that come along with CRM packages like Dynamics CRM or Salesforce. However, AI has no boundaries, your machine/CRM application has to learn continuously. Hence, the next step is to govern, to improve and to implement more AI components.

- **Improve your AI features**

There are many tools, concepts and technologies that strengthens your CRM AI features, like – Chatbots for automated customer engagement, Internet of things (IoT) for making your products connected to your applications, speech/face recognition software for improved identity and security etc. These tools need to be implemented based on organizational goals and requirement, but not on mere fancy for advanced technology. Such tools help resolve organizational business problems, provide more analytical data and improve the AI features of your CRM data for higher automation.

- **Govern your AI strategy**

Beyond implementation, the AI strategy of an organization needs good governance. The IT and business teams of your organization has to monitor and audit the data and actions created by AI tools or features. They need to continuously validate the results of the actions taken by these metrics and should correct the algorithms and actions, if required. The team has to also govern the ethics of capturing customer data and the methods of following the local data security guidelines.

Finally, your CRM is now ready to go on an Artificial Intelligence (AI) ride and has already implemented few features. However, this is just the tip of the iceberg. Building intelligence in your CRM systems is similar to building human intelligence which develops with continuous information (data), continuous learning through new methods (algorithms) and experiences. Similarly, the organization has to improve the AI features by continuously improving the data quality, by implementing or upgrading the tools/platform to bring better algorithms for analysis and by assigning personnel who can improve the analysis and can build more analytical algorithms.
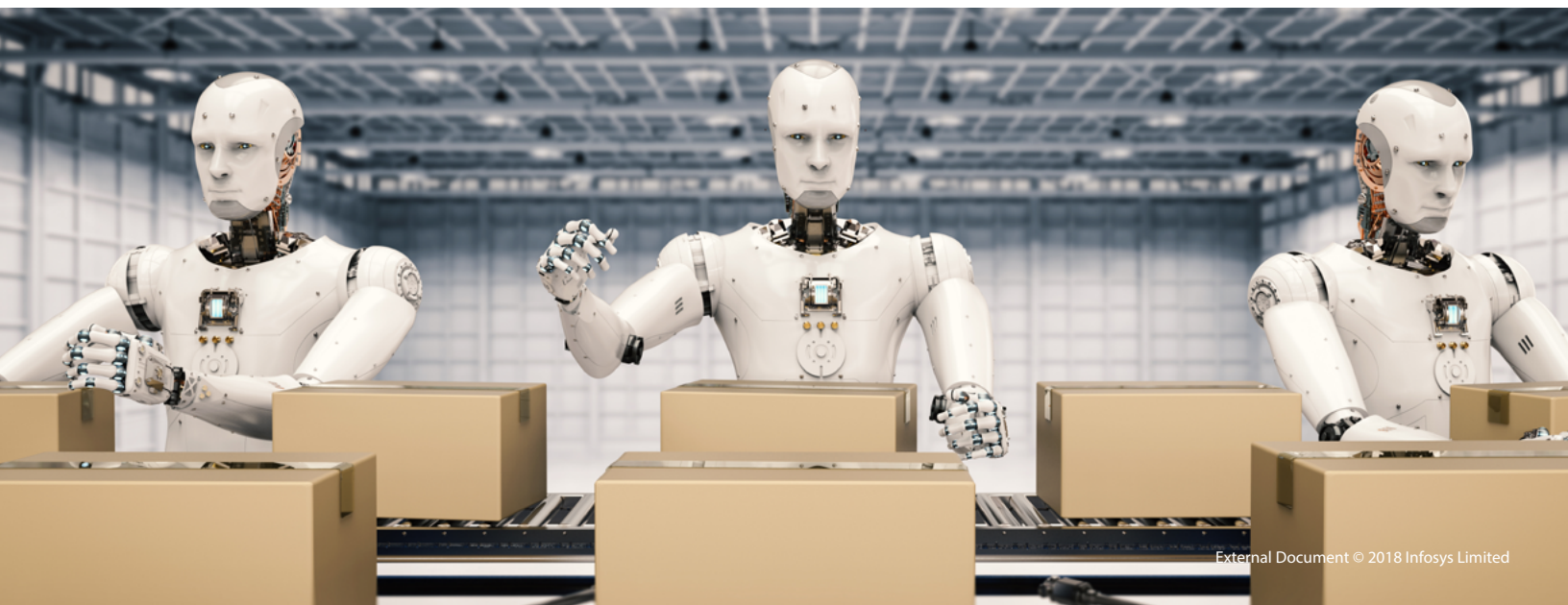
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