Is Old the new New?

Let's face it. The end of the last millennium is most likely to be remembered as the time when the IT industry had finally taken leave of its senses and went headlong into full-blown lunacy. Does anyone remember the Y2K hysteria?

Perfectly sensible and highly intelligent people who would otherwise display no symptoms of mental disorder would corner you at parties and seminars and whisper conspiratorially in your ear that the end was nigh and civilisation was about to come to an abrupt end. Cash machines were preparing to attack small children and airliners would fall out of the sky. Never mind Al-Qaida, your PC will get you first.

Cobol programmers were being plucked out of their retirement homes and the corridors of IT departments across the country were abuzz with the screeching of Zimmer frames. The ones that could not afford to hire any octogenarians with an LSD habit, were busy throwing away all the software they spent many years getting just about right and replacing it with new systems that although they knew little about were "guaranteed" to be Y2K safe.

The dot-com phenomenon was raging on at just about the same time. This is when it became unfashionable to show a profit and we were being told that any company that did not become a dot-com in the next five minutes would be toast by next week.

Totally sober chief executives were competing with each other on who can spend more money on their websites and every teenager had a business plan under his pillow. Board directors of listed public companies were busy swapping acne remedies as they dodged beanbags while riding scooters through their new age offices.

At about the same time, as the world was still in the throes of what has now been clearly confirmed as a spell of corporate temporary insanity, a new acronym was being unleashed on an unsuspecting and frankly confused IT market. CRM was the thing everyone had to have whether they wanted it or not and regardless of whether they had the foggiest about what it meant.

What it actually meant was that countless CRM experts appeared overnight out of nowhere. Although most of them had wildly differing ideas about what the term actually stood for, they all agreed on one thing: everybody should get some and the sooner the better.

Generally speaking, most experts would probably subscribe to a fairly loose definition of the term, along the following lines: a 360° view of the customer, available across the enterprise and delivered consistently via all channels of communication. A noble goal indeed.

Most experts also seemed to agree that the best thing about this was that your customers would get that nice, warm and fuzzy feeling that they are being treated by your organisation as a unique individual in a personalised fashion and therefore would come back again and again. The dream of the large faceless corporation acting like your local corner shop had emerged.

Whatever your point of view regarding CRM, very few people can argue with the fact that as ideas go, it is a damn good one. Allowing all your customer facing staff to have a complete view of each one of your customers and be able to use all of this information in order to treat them well is by all accounts something that every enterprise should aspire to.

The problem starts when one tries to work out what is the best route to this CRM heaven. As much as CRM was always presented as a philosophy and a paradigm shift in the way in which organisations communicate with their customers, the underlying engine for the promotion of these ideals came mainly from software vendors that saw an opportunity for rich pickings in a confused and overheated market that was already awash with jargon and hype.

In order for such organisations to be able to capitalise on the CRM ideal, a subtle slight of hand and marketing hocus-pocus was required. In doing this, the vendors of so-called CRM systems needed to borrow extensively from the dubious techniques employed by the now too familiar peddlers of penis enlargement potions and elixirs of eternal youth who seem to plague the Internet in larger and larger numbers these days.

The trick is a very simple one and probably one of the oldest in the book. It goes a little bit like this. First of all, create a strong desire within your prospective target market for a hypothetical and sometimes totally unrealistic dream. Think about 'before and after' photos of the obscenely obese or follically challenged that were magically transformed into fashion models and you'll get the idea.

In the CRM case, this was not too difficult a task. As we saw before, the CRM dream is a noble and profitable one. On top of all that, if you happened to be concerned about Y2K or the Web at the time, this would solve all that as well. Your customers would flock back for more and your reputation for legendary customer service would bring new ones in. Your payroll would be reduced, because most of your labour intensive back office tasks would be automated and your front office would be so much more efficient. And all your hair would grow back too.

So far so good. There isn't anything intrinsically wrong with all of these statements (minus the last one, perhaps). But this is where the slight of hand occurs. The big question now is: How do I get there? "How am I to transform my organisation into a CRM Xanadu?" I hear you ask eagerly. The answer, we were told was to buy a so-called "CRM system" from one of the big CRM vendors and you would be nearly there. The magic word was "nearly".

After all, why shouldn't you believe that? Particularly if you really want to believe it in the first place. So, you part with a large sum of money (in the millions usually) and a few days later, a nice packet containing a set of shiny CDs and a set of thick manuals drops through your letterbox. You repair furtively to your office, shut all the blinds and proceed to unwrap your magic CRM package.

Oh dear! If you have ever bought flat pack furniture you will know the feeling. Bits of wood of various shapes and sizes drop out of the box. Hundreds of strange looking nails, screws and unidentified objects scatter on the floor. Your miracle CRM solution turns out to be nothing but a bunch of components that need to be cut to size, positioned and assembled and all that without the benefit of an instruction sheet in Swedish.

So, buying an expensive CRM system is just the beginning. You will need to then employ an army of IT professionals to use the tools provided in order to produce what is commonly referred to as a CRM implementation. This is not a small thing. You will need to map all of your business processes and then somehow shoehorn them into the way that the CRM system works. You will also need to migrate all of your live data into this system. New user interfaces will need to be created and customised. The list is endless.

What is the difference then between doing this and developing a new system from scratch? The answer is: not much. Although to a varying degree the CRM systems on the market provide good and useful selections of tools that shorten the implementation process, the down side is that you will need to adapt your organisation to work using a generic solution, rather than the custom-made one that you would otherwise be able to create if you were to develop from scratch.

And another thing. Imagine a country that one day decides to change their traffic laws so that vehicles drive on the opposite side of the road but would like to implement it gradually, so that it applies only for lorries in the first year. Perhaps not such a good idea, when you think about it. The same applies to CRM implementations. It's usually an all or nothing situation.

What this means is that you will have to wait until the whole thing is finished before you see any benefits. This usually takes years. In the meantime, your existing systems will suffer, since most of your IT resources will be concentrated on the fantastic new CRM project.

So is there no way of achieving the CRM dream in a cost effective and less dangerous way then? The surprising answer to this question is that there is a blindingly obvious way of achieving almost all of the goals that CRM implies at a fraction of the cost and without seriously damaging the health of your organisation. The answer is another similar sounding acronym: CIM.

CIM stands for Customer Interaction Management. It describes the mechanisms used by organisations to communicate with their customers. This

includes call centres, web self-service and self-help, email communications, letters, faxes, SMS and any other means of communication.

CIM systems, under various other names, have been with us for a very long time. They certainly pre-date CRM systems by more than a decade and have the major advantage of not attempting to replace your existing back office systems but utilise them better and at the same time present a coherent, elegant and modern look to your customer facing activities.

The great thing about CIM systems is that they actually exist. As opposed to CRM toolkits, good CIM systems require very little IT expertise to set up and deploy quickly and gradually. The best systems also provide excellent facilities for interfacing with your existing IT infrastructure and providing your customer facing staff with all the information they need at the right moment and in the right format.

In the end, the CRM dream is all about how you interact with your customers. This does not mean that your internal systems have to change necessarily, but that you are able to use them efficiently, in order to treat your customers well. Making these existing systems work harder and longer means that you will achieve real savings and that your route to CRM is not via one giant leap of faith but a gradual process of improvement.

Wrapping your existing systems in a layer of CIM also means that you avoid the danger of acute corporate amnesia. Your existing systems are probably the distillation of many years of development and refinement. Replacing everything with a new CRM system is bound to omit quite a few of these refinements that make your life easier, but you tend to forget they're there.

A good CIM system will allow you to change the way in which you manage your customer interaction at very short notice and with minimal IT intervention. This is because most of these systems were originally aimed at the call centre world where rapid change is of the essence. Graphical rapid application development tools are usually included and provide most of your non-technical staff with a quick route to change. Try and do that on a CRM implementation and you'll see what I mean.

Finally, the costs. An excellent CIM system, covering all aspects of your customer interaction and interfaced fully to your back office systems is still a fraction of the cost of a CRM toolkit. This is before you take into account the cost of the actual CRM implementation. So why hasn't everyone gone down this route by now?

There are many answers to this question. First of all, the phenomenal rise of CRM vendors happened during the end of millennium IT binge, when crazy ideas were at a premium. We are just beginning to recover from that hangover. During that time of unrealistic valuations and multi-million pound contracts, providers of large-scale CRM systems managed to put in place well-oiled marketing machines that generated a level of noise within which CIM vendors could not make themselves heard.

In addition, CRM implementations proved extremely lucrative for a great variety of organisations that managed to provide a wide range of professional services ranging from consultancy to implementation on the back of these large scale projects. These organisations helped to perpetrate the myth of the large-scale CRM solution.

Let's not forget that a significant number of CRM projects were successful. An organisation that is prepared to commit itself to large-scale investments in software and provide the resources over a number of years of implementation will eventually end up with a working system that does deliver the goods.

A lot of faith is required on behalf of the management and to a certain degree, the vast initial investment in software in many cases forces the hand of the board to continue to invest further simply in order to justify that initial spend.

Finally, CIM systems have come a long way since their early days. They suffered and to a certain degree still suffer from an image problem. Many possible adopters of this technology still associate it with rudimentary things like call scripting, computer telephony integration or diallers. This is no longer the case.

Although CIM has its roots firmly in the contact centre, the web and other means of communication, the industry has moved on to provide a credible and cost effective alternative to the costly and in many cases over-bloated CRM systems when used in conjunction with existing enterprise systems.

Your legacy systems may be old and they may not be pretty, but the information they contain and the accumulation of valuable business knowledge that they include does not age. The possibility of making them work harder in conjunction with a modern CIM solution raises an almost inevitable question: "Is Old the new New?".

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