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# THE NEW MANUFACTURING

*- building resilience and  
driving new revenue*





**The manufacturing sector in the UK faces a host of challenges, ranging from the COVID-19 crisis and resulting economic downturn, to the emergence of overseas low-cost competitors. These ever-changing market demands are driving firms in this sector to look for new ways to build greater resilience through the introduction of new working practices.**

A growing number are turning to technology in the search for greater revenue through more effective sales and marketing, cost reduction through greater operational efficiency, and improved collaboration throughout the business. Digital transformation is now a major driver for change within manufacturing.

Furthermore, the COVID-19 crisis has rapidly presented a range of other challenges. Supply chains have been disrupted and manufacturers are looking for ways to manage suppliers more effectively. Remote working for front office staff has accelerated the need for shared digital sources of information. Shift working on production floors has presented significant organisational challenges. Technology is providing solutions to all.

Above all else, a growing number of manufacturers are recognising the competitive advantage they can gain from greater understanding of their customers and a greater focus on the relationships they have with those customers. The most mature are making the shift from production centric firms to customer centric firms.

Indeed, CRM is playing a pivotal role in this shift from being a manufacturer that produces efficiently and cost-effectively to one that has happy, loyal customers paying a premium. CRM provides three key optimisation benefits to manufacturing:

- Improving return on investment in sales and marketing
- Enabling and enhancing customer support
- Streamlining business processes operations

We explore all three in more depth and look more closely at how manufacturers can use CRM to thrive in an ever-changing, ever more competitive world.





# 1. IMPROVING RETURN ON INVESTMENT IN SALES AND MARKETING

CRM allows manufacturers to gain greater returns on their investment in sales and marketing, and so to grow their revenues. Essentially there are just two ways to grow revenue: find more customers or sell more to existing customers. To achieve both, sales teams need easy access to information, deep customer insights and the tools to close deals quickly and efficiently. They need real-time data to drive quick decision-making. CRM delivers all of this.



## Single view of the customer

For many organisations, the starting point with CRM is pulling together information held across the organisation in order to gain a single view of their customers. Rather than having information on customers and prospects held on a myriad of spreadsheets and in salespeople's heads, it's kept on the CRM platform. This provides the organisation with a single 360-degree view of its target market and the key segments. It gains insight into what customers want, as well as when and how they want it.

This single view enhances strategies for customer acquisition, retention, upsell and cross-sell. It improves decision making and makes it far easier to identify where to focus marketing and sales resources. It can even inform product development strategy.

From there, most organisations move into marketing automation and website tracking. Web analytics deliver valuable insight by tracking and scoring website visits. It allows manufacturers to understand who has visited their website and which pages they have viewed. This information drives greater value from the website and delivers insight into future sources of new business.

Marketing automation allows them to deliver more personalised communications to prospects and customers, and to create marketing campaigns based on insights into purchase history, behaviour or demographics. When performed at scale, this automation makes marketing more process and data driven, more efficient and effective, and can reduce manual input.







## Aligning sales and marketing

Perhaps one of the most significant advantages of CRM is the alignment of sales and marketing functions. CRM gives sales and marketing a common understanding of precisely where and when a lead becomes a sales opportunity and reveals the ways each function performs and contributes to a sale.

This removes the traditional friction between the two departments. Marketers stop complaining about salespeople not converting “hot” leads, and sales teams stop criticising the quality of the leads produced by marketing. All have the same view of the same process and begin working together to drive revenue. For more insights on aligning sales and marketing you can also [read our in-depth whitepaper](#).

### Rotary – evolving from product to customer to profit centred

US company Rotary is the world’s largest supplier of outdoor power equipment parts and tools. With Workbooks already implemented, it is now looking to progress to the next phase: implementing Workbooks’ marketing automation functionality across its marketing organisation.

This will provide a far more cost-effective way to deliver marketing materials such as sales flyers, new items, contests, and spring order discounts to its customer base. This will enhance communication with those customers and continue its shift from manufacturing product to building relationships with customers.

Chris Roessler, Vice President of Marketing and Advertising, says: “Communication is the key. Workbooks has the solution to allow us to bring more effective marketing to our customers in different territories and in different climates. While it’s snowing in some of our markets, we can target customers there with snowblower items, whilst at the same time marketing lawnmower blades to those in warmer climates.”



## 2. ENHANCING CUSTOMER EXPERIENCE

Customer experience is an increasingly important issue for manufacturers. In fact, according to a Gartner survey, more than two-thirds of companies [surveyed](#) say they now compete primarily on the basis of customer experience. That experience is formed by the performance and quality of the product and the level of attention customers receive from everyone within the business throughout their lifecycle, from their first point of contact through to support reps helping to resolve issues, build rapport, improve engagement and create long term advocacy.



### Understanding your customers

Firstly, CRM provides a place to store information about customers and their interactions with the company and ensure that this is shared with the relevant parties. Where in the past customers might have been frustrated at having to repeat this information to each agent they spoke to, with CRM in place each agent has all the information regarding purchase history and previous engagement they need at the touch of a button.

For manufacturers who are looking for more proactive ways to communicate with customers CRM also enables automated, personalised communications. For instance, firms can contact customers at set milestones in the lifecycle such as contract renewals, warranty dates and so on, offering discounts and promotions, and making much stronger connections.

CRM platforms are full of data about customers – what they buy, when they buy it and how they buy, as well as information on the marketing they respond to. With this richer understanding of customers manufacturers are able to tailor customer service. Some use it to identify their most profitable customers, and then pay them more attention to drive satisfaction, retention and advocacy.

Support should be entirely multichannel. Many manufacturers also use CRM to build a knowledge bank of answers to commonly asked questions. This aids agents in providing rapid, accurate answers, and can also give customers an online, always available source of information. Customers receive service the way they want it, in the channel they prefer. The CRM platform also stores information on contact with a customer regardless of the channel used for the interaction.





## After market monetisation

Customer support has always been seen as a cost, but manufacturers are increasingly viewing it as a source of competitive advantage. Those that are able to use their CRM platforms to deliver the most exceptional support are discovering that it can even become a direct source of revenue.

This servitisation is about building a series of services around products to increase revenue streams. CRM makes it possible to increasing understanding of customers. This knowledge of what they want, the way they use products, how they could use them more fully and so on allows firms to create products that customers want and that drive greater revenues.

### Monetising after care

When a market leading engineering firm approached Workbooks they were looking to resolve a significant issue. Customers of their airport logistics solutions had become deeply unsatisfied with the level of support that they were receiving from the firm. Having investigated the reasons behind this the firm had identified that the primary source of dissatisfaction was due to their service agent's inability to match the customer with the exact configuration of the model that they had purchased – while all information was held in ERP this was seldom available to the customer support team. Therefore, when additional parts were required for after-care service these were often either not available – or the engineer would arrive with the wrong parts and have to schedule additional visits.

The realisation that CRM would be able both to provide information about customer purchase history as well as provide a way to proactively manage customer care has enabled the company to significantly improve their customer satisfaction.

However, the real innovation has been that CRM has also provided the firm with a way to evolve their rental and hire-purchase business. By offering alternatives to up-front purchase customers are more likely to buy extended service packages. Furthermore, the company are now exploring ways that they can offset the cost of the initial rental or purchase against the maintenance, offering a highly attractive way for customers to spread the cost of their purchase by moving towards to a subscription model. It's this kind of servitisation of the business which is enabling UK manufacturers to drive new revenue streams, and it's CRM which provides them with the technology to enable new ways to offer customers value.





# 3. OPTIMISING PROCESSES FOR MAXIMUM BENEFIT

Attracting and retaining revenue is one half of the profitability equation; reducing costs and delivering product or service more efficiently is the other. CRM technology provides a single view of the business, a central point connecting every part of the organisation. Naturally, as it improves visibility of across the business CRM becomes a tool for growth, a digital platform to which you can connect every part of your organisation driving better employee collaboration and stronger customer relationships. For manufacturers CRM contains and integrates data which may previously have been difficult to track and provides analytics for deeper insights into your customer base and providing the ability for stronger communications, better customer engagement and to inform strategic decision making.

CRM can connect (deeply or loosely with other tools and the data they contain including ERP and financial software) to ensure that you have a full and single view of what is going on in the business at both a macro level down to seeing exactly which customers or prospects have been onto your website, it can be extremely powerful!



## Vendor and supply chain management

Supply chain management has always been important for manufacturers, but recent events have highlighted it even further. Brexit and the likely introduction of levies and taxes on the import of raw materials will disrupt many established supply chains, and drive UK manufacturers to source them from elsewhere, whether in the UK or overseas. The mounting trade war between the USA and China may have a similar effect in that market. Finally, the COVID-19 crisis revealed the risks present in many supply chains.

The end result of all this is that a growing number of manufacturers are using their CRM platforms to protect and shorten their supply chains. It allows them to track relationships, manage all contacts and transactions enabling them to score suppliers, indicating risk and preference levels, and then connect all the parties within a chain together so they can see very clearly the overall risks within a certain chain and the impact of altering one or more parts of it. In this way CRM helps to mitigate risks in the supply chain and make it more sustainable.





## Single view of the business across all functions

As any business grows it becomes more complex, and more challenging to manage. As functions grow and offices develop silos can arise, all too often these silos have no idea what each other are doing. With greater home working this may become even more prevalent. CRM brings them together, ensuring that teams communicate with each other properly and delivering a companywide view of the customer journey.

It allows any employee, in any function or any office around the world, to type in the name of an individual or an organisation and with a few simple clicks know every interaction that person or company has had with the firm. Tasks can be clearly assigned, next steps planned out together, and an outstanding customer experience delivered.

At the same time, CRM provides the company's management with an overview of everything that is happening within the firm. This information helps them make better decisions and allocate resources more effectively, so the business is led to a more successful future.



## A platform for innovation

One of the primary drivers for manufacturers investing in CRM is to ensure that their front office, commercial teams, sales, marketing, and customer service can share and store customer data outside of ERP. Unlike ERP, which is more geared towards managing production, CRM encourages collaboration between customer facing teams as well as providing a platform for additional technological innovations such as CPQ (Configure-Price-Quote).



## Adding Configure Price Quote (CPQ) to CRM

Those users with the most complex products, which require a degree of configuration and bespoke pricing are gaining benefits from the deployment of Configure-Price-Quote (CPQ) functionality. CPQ enables organisations to simplify and automate complex quotation processes, empowering sales teams to build quotations quickly and accurately using a guided quotation process. This makes them more efficient by allowing them to produce quotes more simply, then process and track the status of orders, invoices and payments, all from within CRM.

Finally, those manufacturers that have both CRM and ERP gain greater clarity of the entire process from marketing to sales, as well as customer service to production. The two are often mentioned collectively but are separate platforms each with their own purpose and benefits. ERP aids the management of production whereas CRM helps firms manage relationships. Manufacturer who implement both optimise their activities in both areas. CRM and ERP can be closely integrated or kept fairly separate, depending on the needs of the company.







## CRM and ERP integrations

For many manufacturers a major consideration is [how the CRM platform will integrate with their existing ERP](#). While some ERP systems offer basic CRM functionality, it's only when manufacturers start exploring the benefits that a best-of-breed CRM platform provides that they begin to think of them as separate entities.

A key issue to consider is what level of integration is right for your organisation. Typically, there are three different approaches with the potential to build additional integration into the roadmap.

### *Level 1:* STANDALONE CRM FOR QUICK ROI

This is the quickest and simplest option, and the right approach if you need to give revenue generation a rapid boost. With a standalone CRM you'll get most of the sales and marketing benefits, but as you won't be using live transactional data from ERP you may need to consider if this will impact your sales team.

With a manual data feed from ERP into CRM you can pull together information held across the organisation, gain a single view of your customers, and get insight into what customers want e.g. which of your web pages they've visited, and buying preferences. For organisations that need to see a rapid return on investment this is the best way to get started.

### *Level 2:* LIGHTWEIGHT INTEGRATION

This is the most popular approach, as it delivers a wide range of sales, marketing and customer service benefits for manufacturers. It involves an investment of time and money but helps to move organisations from product to customer centric by connecting core aspects of customer experience within CRM. Long term this drives customer acquisition, enables the delivery and management of value added services and supports customer retention.

With a regular automated synch of specific customer data between your CRM and ERP, you can use transactional history to inform and enhance interactions with customers. It enables more robust account management, for example flagging customers that have stopped buying and can provide trend analysis right across the customer base.

### *Level 3:* FULL INTEGRATION

The manufacturers who invest in a full integration gain optimal benefits from both systems working together. It unifies all the functions of the organisation around one system so that everything is streamlined and optimised enabling manufacturers to expand into more sophisticated ordering via CPQ and extending CRM capabilities to include order processing and invoicing.

Furthermore, because all data is captured end-to-end CRM can deliver vital insights to management which enables business insight which can support and inform innovation. This full integration is the most complex to deliver up-front, but once in place it removes a myriad of inefficient processes across the organisation, negates manual synchronisation and allows the organisation to become truly customer-centric.





## Successful implementation

CRM implementations should not be led by the IT team alone. Their involvement is invaluable, but CRM is a business solution and the implementation needs to reflect this. Therefore, for a successful implementation, ensure you involve members of the sales, marketing, customer service and IT functions, and also have active participation from the senior team.

Build a clear and compelling business case. Understand objectives and make these widely known. This will allow you to demonstrate and evaluate return on investment at a later date. Work out your requirements, budget, the resource you have to deliver the project, and any potential risks. Document this in one place and share with all involved.

Find the right solution for your business, and the right implementation partner. Before signing on the dotted line, ensure they've worked successfully with similar businesses in the past. If possible, take up references.

Data is also critical, while CRM will aggregate multiple sources anything you can do to prepare and streamline it before you embark on the project will make your CRM implementation go more smoothly.

Finally, work hard on internal adoption. Give the best training possible and run workshops where you can address concerns, obstacles and resistance, and highlight the benefits.





## Understand your customers and build resilience

There is much then for manufacturers to consider with a CRM implementation, but there are multiple long term benefits. With markets, and indeed the world, set to be ever more unpredictable in the months and years ahead, CRM will provide the information and clarity to help manufacturers to deliver growth.

With successful implementation of, manufacturers who invest in a CRM strategy can benefit from streamlined processes, improved customer experience a more productive workforce and accurate forecasting capabilities. All of which ensure they will be far better placed to fend off the competitive threat from low cost foreign imports.

These companies will have greater understanding of their markets and customers. This will allow them to make more informed decisions on how to attract, retain and delight their customers. They will transition from production centric to customer centric and then to profit centric. They will revolutionise their businesses in order to compete now and in the future. It can also improve agility, making them responsive, more adaptable and so better placed to cope with any external events.

Moreover, if unable to compete on price, manufacturers in the UK need to look at ways to build relationships with their customers. That is the path to customer loyalty, and CRM will be an essential tool in achieving that.

CRM provides the capabilities to improve customer experience and grow revenue. For manufacturers looking for ways to build resilience and open up new revenue streams it provides an opportunity not to be missed.

