

**EMAIL MANAGEMENT:***Nurturing or blowing up your brand, one customer at a time.**by Scott Hornstein*

Companies stand united under the flag of CRM, saluting it as the righteous way to profitability. Many, however, apply it with a broad brush, actively undercutting their potential return. Here's what I mean.

The center of CRM is the word relationship, implying communication between buyer and seller, company and customer, which is exactly where the fabric of CRM begins to unravel. A company's high-level commitment often does not trickle down to the low level messy and unruly world of day-to-day customer communications. This disconnect is frequently manifested in customer-initiated email communications, which I see as a litmus test: is the company walking the CRM talk? Or undermining its potential, one customer at a time?

Every year since 2001 I have conducted an email responsiveness survey, focusing on the most trusted, admired, respected and reviled corporations as determined by *The Financial Times*, *Fortune*, *The Reputation Institute* and *BusinessInsider*, including such companies as Amazon, Apple, Berkshire Hathaway, Bristol-Myers Squibb, Microsoft, Bank of America, Dish Network, several cable companies, utilities and airlines. This year's results were nothing short of tragic—34% of all companies answered us (I do not count responses, I only count answers).

**BoldChat**, a CRM software brand by LogMeIn, Inc., approached me with a concept—to survey small to mid-sizedetailers, specifically pitting customers of their email management tool against their customers' direct competitors. Their hypothesis:

*Overall, this segment would be more responsive because the organization is flatter and the customer is closer—management would have a keener recognition that paying attention to the individual is an investment in future profitability.*

**BoldChat** customers who have installed and use their email management tool would score even higher. The investment in software and process evidencing a greater commitment to CRM.

**HERE'S THE OVERVIEW OF THE SURVEY:**

The **BoldChat** survey was conducted during the 2011 Christmas holidays, perhaps the busiest season for theseetailers. Was this fair? I think so. Common sense as well as research results say that most customers send an email to a company at some point during the business relationship. It's no big secret that they want an answer, and the answer would be most appreciated, and most effective, if received within 24 hours. From a customer's point of view, a fast answer would really be appreciated during the holiday season.

The annual survey I conduct consists of one question emailed to the database, and we used this question in Wave 1. This survey emailed three separate questions sent in three separate waves. Each wave used a unique email address, which were not disclosed to **BoldChat** to make sure there was no string-pulling.

As in my survey, answers count, robo responses that assure us we are important, do not. And, full disclosure, they paid for it.

**THE RESULTS:****WAVE 1 / QUESTION 1: What is your corporate policy regarding the turnaround time to emails addressed to customer service?**

- 79% of **BoldChat** customers answered our question. Of these answers, 90% of the companies have a corporate policy, and 90% of these policies are 24 hours or less. Interestingly, 66% of the companies with a 24-hour policy answered our question within 24 hours.

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- 53% of non-customers answered our question. 44% of these answered communicated a policy of 24-hours or less (though one company added, but not on weekends). All their answers were received per policy.

Remember, in my 2011 survey only 34% answered us.



**WAVE 2 / QUESTION 2: Does your company have a satisfaction guarantee? If so, would you please send me a copy or a link? If not, can you let me know that as well?**

- 79% of **BoldChat** customers answered our question. 64% of these answers were from a company with a 24 hour policy. 86% were received per policy.
- 30% of non-customers answered our question. 60% of the answers were from companies with a 24 hour policy, all of which were received per policy.



**WAVE 3 / QUESTION 3: Are you running special offers that are not on your website? If so, would you please tell me about them?**

- 57% of **BoldChat** customers answered our question. 63% of these answers came from companies with a 24 hour policy. 80% of these answers were received per policy.
- 35% of non-customers answered our question. 33% of these answers came from companies with a 24 hour policy, all of which were received per policy.



Even though **BoldChat** was the sponsor, the results are obvious (their bet paid off):

*Small to mid-sized companies are significantly more responsive to customers than the giants we survey every year.*

*The investment in email management, both tools and procedures, yields impressive results. Overall, **BoldChat** customers are more than twice as likely to answer an emailed question and more than twice as likely to do so within 24 hours.*

My experience is that customers re-evaluate their business relationships with each interaction, especially when they have initiated the conversation. We ignore this at our own risk. Happier customers stay longer and buy more. Unhappy customers don't just go away, they blog, tweet, post....

Every company has a choice in how they implement CRM and thus how they reap the potential rewards. They can view the investment of resources defensively, and it then becomes a cost. Or they can view it as a strategic product, in which case it creates opportunity.

The bottom line is that the right tool for the right job, and a solid plan, puts you head and shoulders above the competition. It's your decision, and your future potential. ■



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