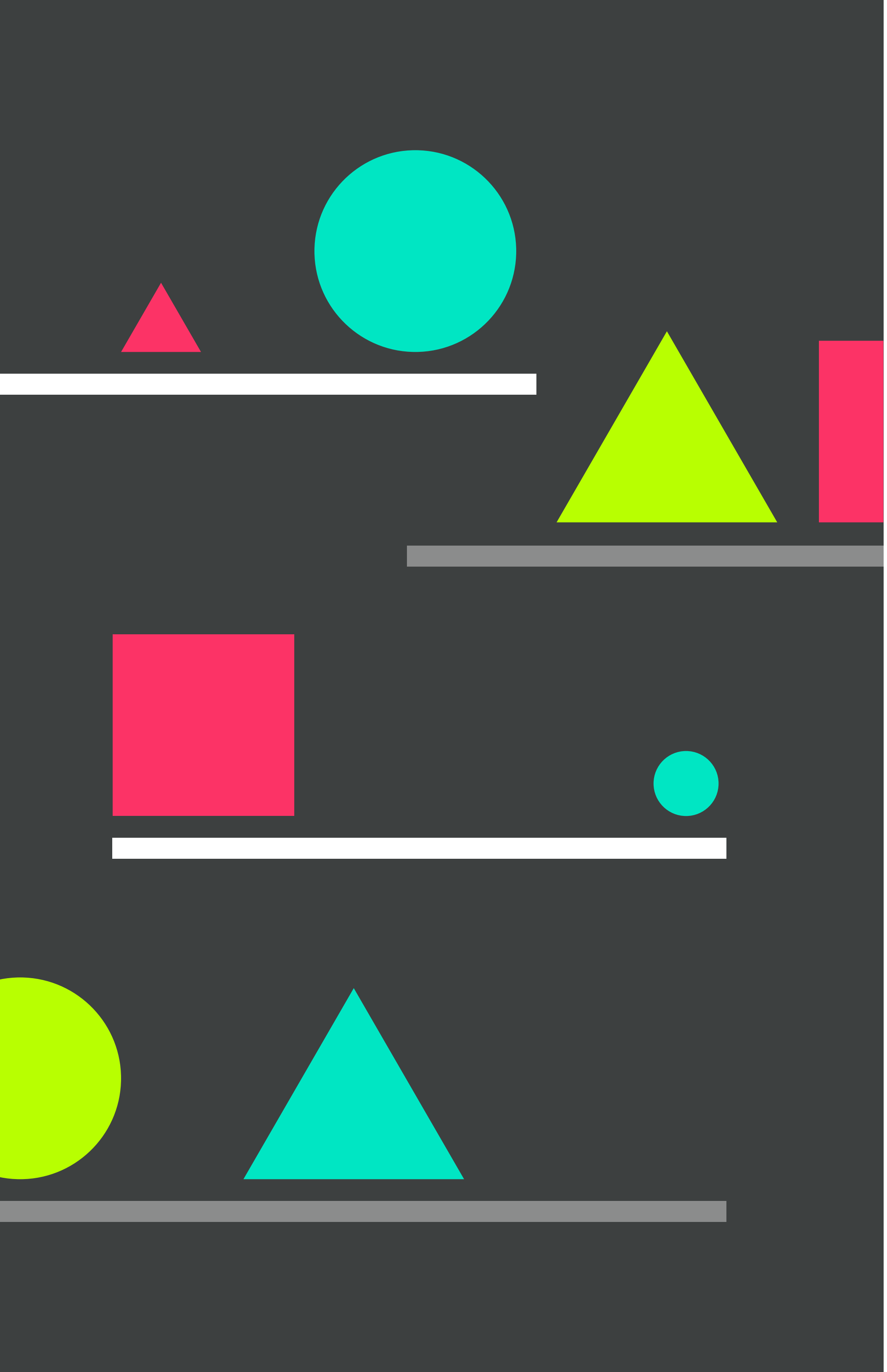
:copper

The Customer Data Management Handbook

Strategies for Managing and Building Better Relationships with Data



CHAPTER 1

Ever-Growing Data and the Modern Day Rolodex

A database of customer data is more than just an address book or list of names and phone numbers in a spreadsheet.

When used correctly, a well-maintained database can streamline your lead nurturing process, strengthen your connections with prospects, and solidify long-term relationships with customers and partners.

But managing this data is often easier said than done.

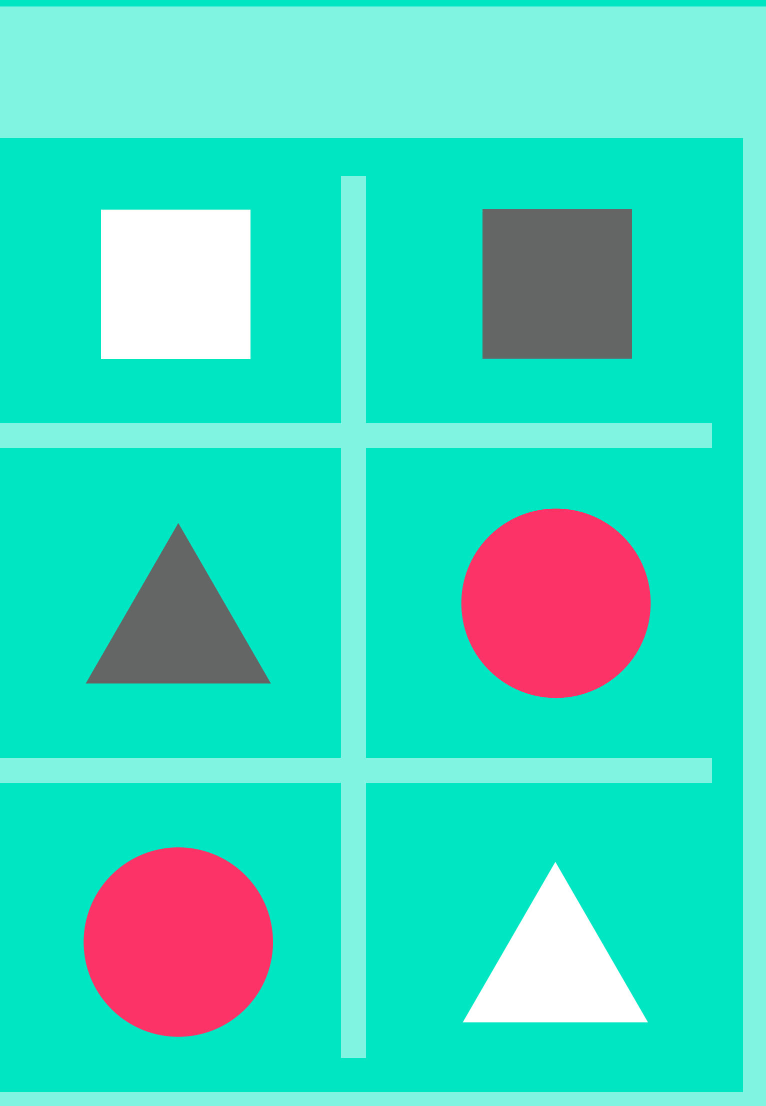
Every day, we create 2.5 quintillion bytes of data. In fact, 90% of the world's data was created in just the past few years. The volume of data you have to keep tabs on to run a business is growing exponentially, so having a robust solution is critical.

2.5

QUINTILLION BYTES OF DATA IS CREATED ON A DAILY BASIS

90%

OF THE WORLD'S DATA WAS CREATED IN JUST THE PAST FEW YEARS



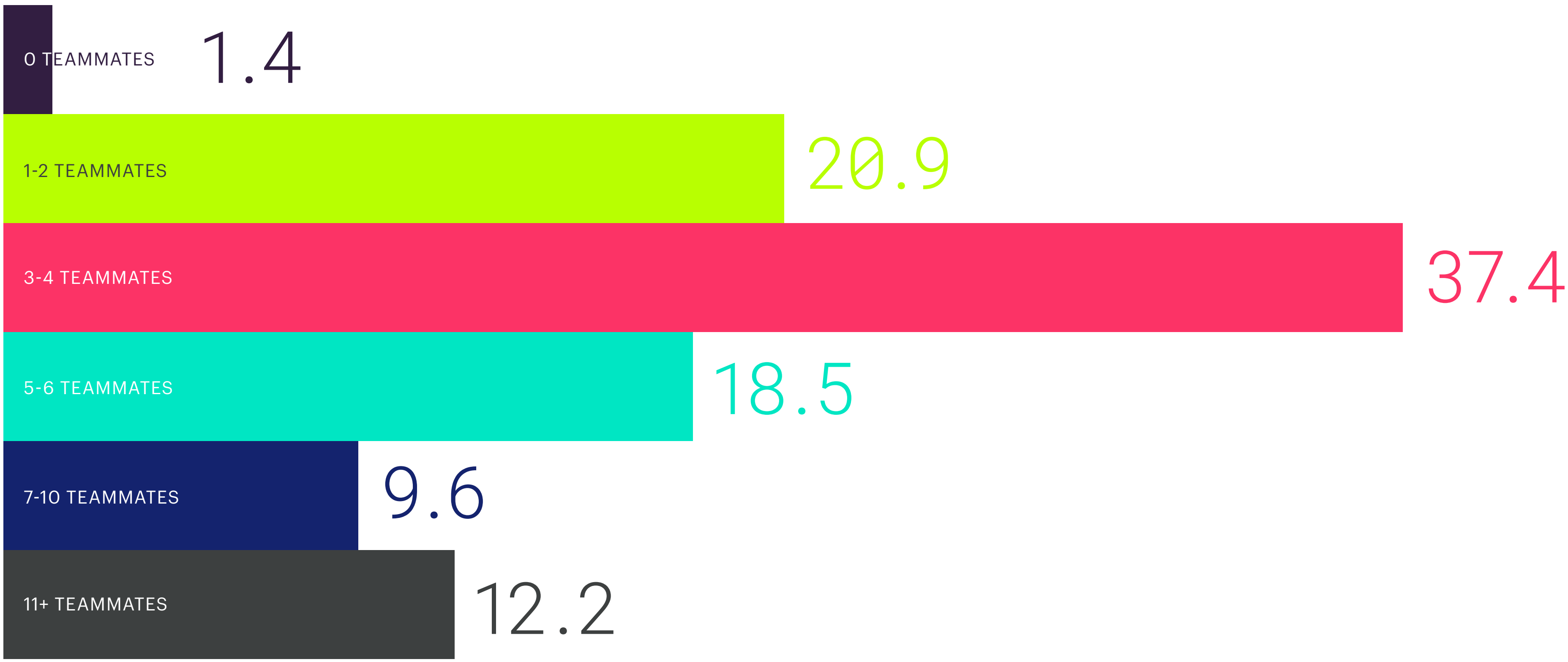
Specifically with customers, data can provide deep insights, allowing you to better understand their needs, problems, and the solutions they're looking for. However, in order to actually use that information to make timely and strategic relationship-building decisions, you need to be able to record and access it quickly and easily.

Maintaining customer information isn't a new concept. For decades, businesses have been keeping the names and phone numbers of their top customers handy in a rolodex or an Excel sheet. But today, with relationships becoming more complicated than ever, handwritten notes and spreadsheets aren't going to cut it.

This is in part because the process of building a relationship with customers and clients involves multiple team members and departments (that are sometimes scattered across different countries).

According to The CRM Benchmark Report conducted by Copper and Qualtrics Research, almost 60% of organizations in the U.S. involve between two and four people in building and managing customer relationships.

ON AVERAGE, HOW MANY OF YOUR TEAMMATES ARE INVOLVED IN BUILDING AND MANAGING ANY GIVEN CUSTOMER RELATIONSHIP?



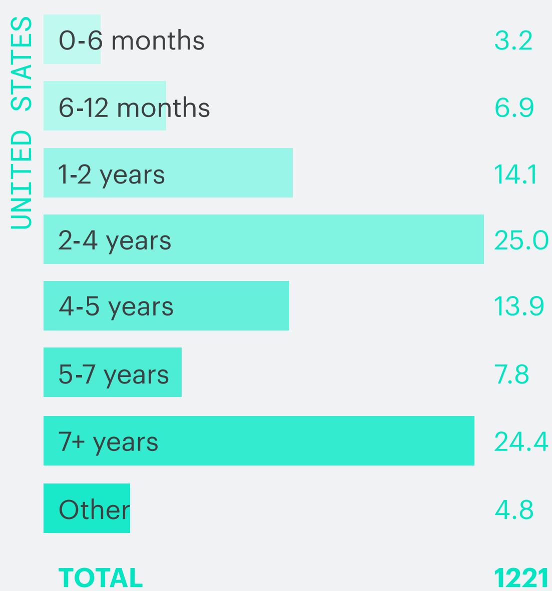
That same report shows that customer relationships are also lasting longer. Five years ago, respondents reported that about 18% of their customer relationships lasted 0–12 months.

Today, that number is almost halved, with only about 10% reporting customer relationships that last less than one year. A quarter of customer relationships last 2–4 years, with another quarter of customers committing to seven or more years with a company. That's commitment.

Those long-term relationships are only possible with strong, consistent communication. However, it's only possible to maintain this level of communication and care in relationships if customer information is organized and accessible to all key stakeholders on your team. The challenge, then, is to record interactions in such a way that multiple people on a team can foster relationships with a prospective client's company (which often also has multiple points of contact).

LOOKING BACK FIVE YEARS AGO, HOW LONG DID YOUR CUSTOMER RELATIONSHIPS LAST ON AVERAGE?

ON AVERAGE, HOW LONG DO YOUR CUSTOMER RELATIONSHIPS LAST?



CRM Systems: A New Way to Organize

Today, a customer relationship management (CRM) tool is by far the most popular method for storing customer data, with just over 93% of U.S. companies using CRM software to keep their information safe.

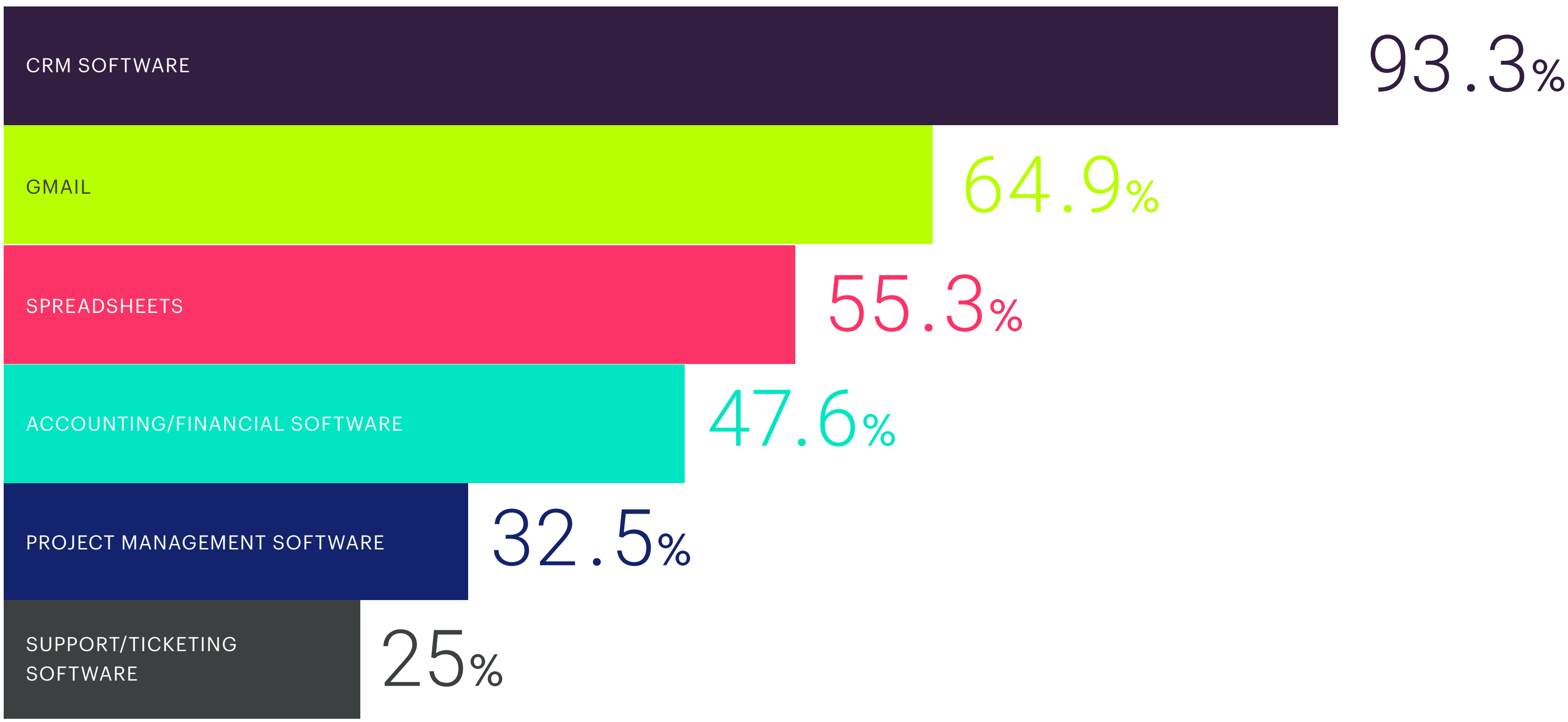
The same is true across the globe. In Denmark, France, the Netherlands, Norway, and Sweden, 100% of respondents are managing customer data in CRM software.

PERCENTAGE OF RESPONDENTS WHO USE CRM SOFTWARE TO MANAGE CUSTOMER DATA

However, organizations are also storing customer data in other locations. The next most popular location was Gmail, with almost 65% of U.S. respondents using the email server for data storage—in addition to accounting software, spreadsheets, project management software, and support software.

With so many disjointed locations, how can we prevent customer details and contact information from being lost?

WHERE DOES YOUR CUSTOMER DATA LIVE?



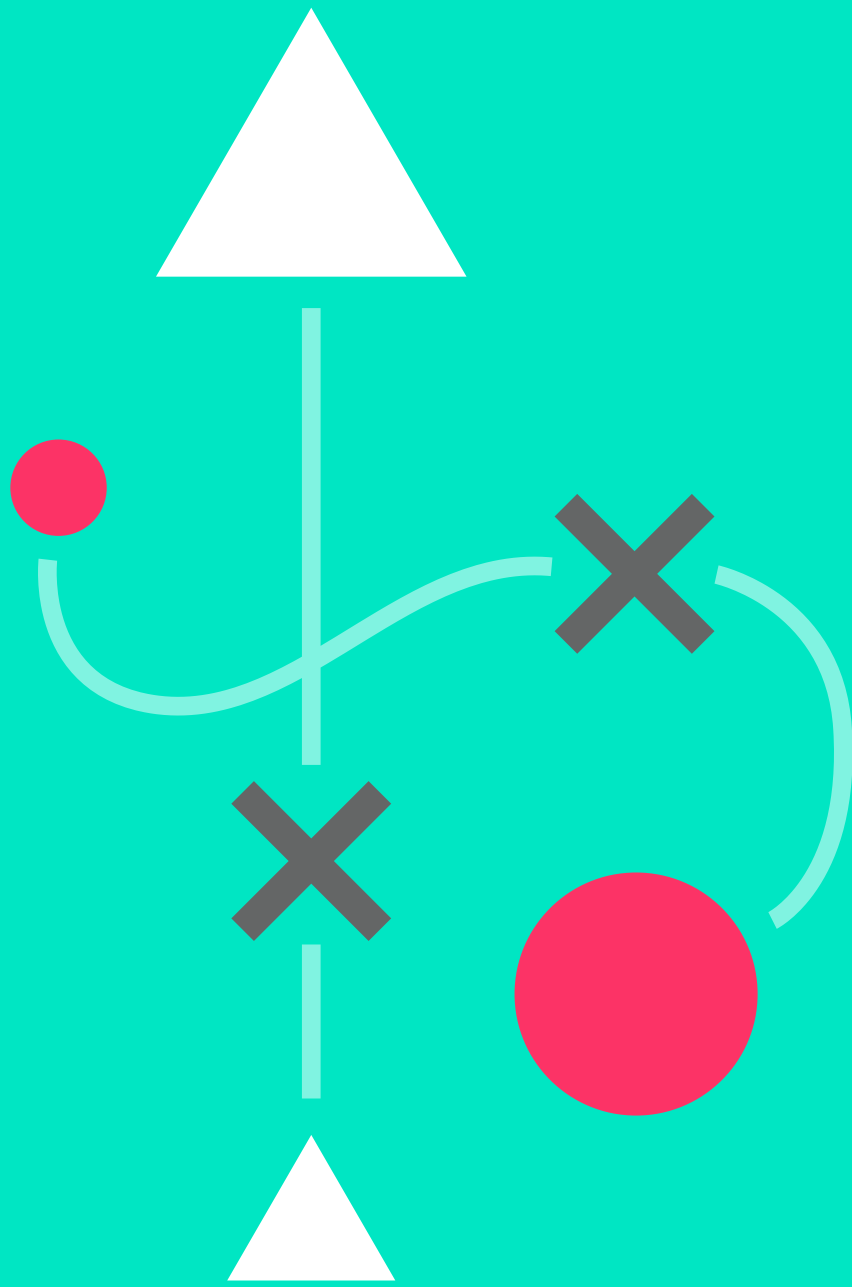
CHAPTER 2

6 Ways That Customer Data Storage Can Hurt Businesses—and How to Overcome Them

Losing data is more than just a missed opportunity.

In some cases, it can cost your company.

Just take a look at Facebook and the series of data scandals it's experienced, including the recent fine of up to $1.63 billion.



If you're not taking care of your customer data, not only does it make it difficult to build strong relationships with clients, but your (and their) sensitive information can also be more easily hacked or leaked.

With new laws protecting customer data such as the General Data Protection Regulation (GDPR) Act coming into force in Europe in 2018 and the recent passing of the California Consumer Protection Act, companies can face serious fines for not properly protecting their customers' information. And that's not counting the unhappy customers, lost business, and other out-of-pocket expenses.

Thankfully, many issues caused by poor contact data storage can be easily remedied. Here are some of the biggest problems—and what you can do to solve them.

1

Your data isn't secure

Companies in all industries face the threat of a data breach. On average, a data breach can cost an organization $3.9 million. In the United States, that number is even higher, climbing to $7.9 million. That's in addition to damaging customer relationships and breaking hard-earned trust—often irreparably.

Whether you're talking about customers' credit card details or even just their names and email addresses, your organization can't afford to have your customer data fall into the wrong hands.

However, over half of U.S. organizations are storing customer data in spreadsheets. Without any encryption or other lines of defense in place, hackers can easily access files and use this information as they please.

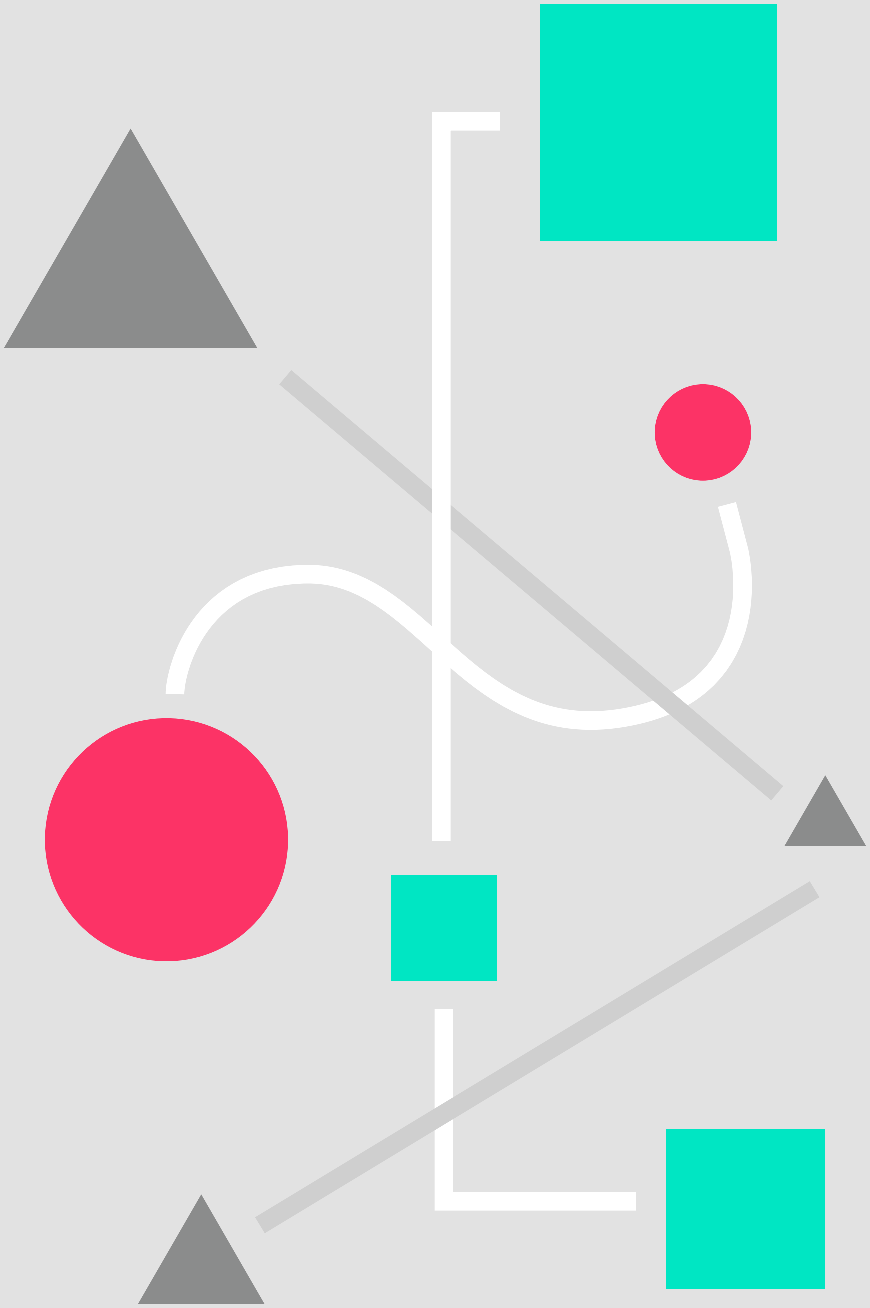
$7.9M

AVERAGE COST OF A DATA BREACH TO AN ORGANIZATION IN THE UNITED STATES

How to overcome this

The first step in protecting customer data is to use an updated data encryption system. Typically, CRMs will include encryption security measures to ensure they're providing your organization with a safe place to store your customers' details. Talk with your provider about what data safeguards they have in place and make sure they comply with your company's standards.

Be sure to maintain a complete data security plan, including both preventative and reactionary measures. Stay up-to-date on the latest security standards, as well as tools and systems that can help you keep your data protected.



2

Your data is stored in multiple locations

Chances are, your organization is using multiple sources to collect customer data. From newsletter signups to purchases or even in-person events, there are dozens of ways to collect customer data.

Unfortunately, if you're storing all that information across different software and systems, you run the risk of creating data silos that make it difficult for different teams working together to fully understand and efficiently manage your customer relationship. This also brings into question your data's validity—if it's updated in one place but not another, which one is the source of truth?

How to overcome this

When nurturing your prospects and customers, it's a best practice to keep track of each and every interaction to create a full picture of where they are in the sales process.

And while it's useful to take advantage of multiple data sources, you can make your life a lot easier if all your customer information is consolidated in one location. Designate one specific platform to host all your data and serve as your single source of truth. It's not always the case, but often this would be your CRM.

3

You have duplicate customer profiles

It’s not uncommon to collect a customer’s information in more than one way. A customer may have signed up for your company newsletter after making an online purchase. However, if you’re treating these entries as separate customers, you’re wasting your reputation, time, data storage space, and resources.

If you have duplicate records, you’re likely spending double or even triple the cost just to reach one individual. If 20 or 30 percent of your database consists of duplicates, this can quickly eat away at your marketing budget—not to mention you might irritate your customers and make your company look disorganized if multiple sales reps are reaching out to one person.

Duplicates can also skew your perception of growth and the size of your contact base, making it look bigger than it actually is.

How to overcome this

Remember to look beyond just direct copies of names and phone numbers. Prospects may have entered multiple email addresses or submitted information under a nickname. Another option is to use the merge option (every CRM should have one) to consolidate records that you know are duplicates.

4

Your data isn't specific

Collecting accurate data from customers is one challenge that most people know about—but another challenge that tends to fly under the radar is collecting data that's actually useful.

Yes, you should know basic information like email addresses, seniority, and industry, but what about information that will help your team build better relationships? Does the information you collect right now help you better understand who is purchasing from you?

Your data must be useful to your team as they get to know customers' unique needs. Often, this will be different from generic types of contact information that everyone else collects.

How to overcome this

Create personalized contact profiles by using custom fields to record information. Think of custom fields as additional data that can help you build a relationship with your contacts. A few ideas for custom fields: your contacts' industry, company size, any contract dates, whether they're a referral customer, and so on.

5

Your data is outdated

Outdated or nonresponsive contacts may not seem like a significant issue. But while old contact details aren't a glaring red flag, they can slowly damage your database and cost your company serious amounts of cash. In fact, U.S. companies could be losing up to $3.1 trillion each year because of "dirty" data.

Data can become outdated for a number of reasons. Employees managing the relationship may leave the company, customers may lose interest in your organization or no longer have a need for your products or services, or they might simply find your marketing ineffective. They may also change emails, phone numbers, or addresses from time to time.

Like duplicate customer profiles, outdated information can be a waste of money. While you can't expect customers to respond to each and every message, continuing to reach out to non-responsive contacts is like throwing money in the trash.

How to overcome this

Digging through data to identify nonresponsive or outdated contacts can be incredibly time-consuming, but will save you serious cash in the end. Set recurring reminders to clean your database once per quarter, or create automated tasks to reach out to contacts who haven't had any activity in the last year. Not only can you use this opportunity to confirm that their information is up to date, but this is also a good reason to stay in touch and keep the relationship warm.

6

Your data isn't accurately segmented

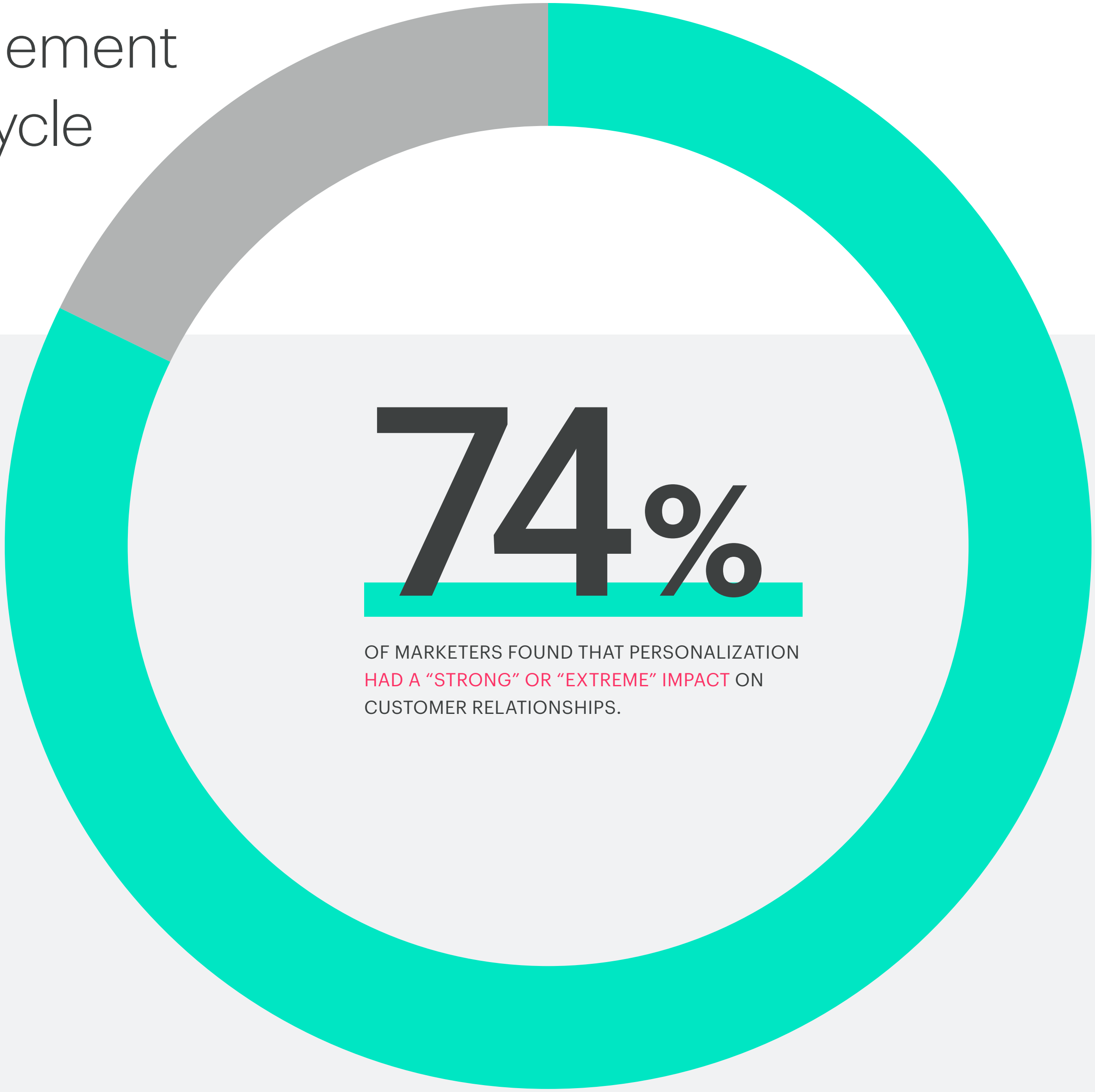
Customers and prospects have different needs, pain points, and interests, which should deter you from a one-size-fits-all approach.

Segmenting your data allows you to categorize customers and prospects based on what they've purchased in the past and other attributes. With proper tags and identifications, you can refine your messaging to better fit their needs. This in turn provides a better experience that increases engagement, creating a virtuous cycle—in fact, 74% of marketers found that personalization had a "strong" or "extreme" impact on customer relationships.

How to overcome this

To minimize confusion early on, you can segment more generically, such as by lead source and customer tier level. You can always refine your approach with customers and get more specific later on. Also, use your segmentation to identify patterns and trends among customers and clients. For example, flag prospects and customers based on items they've purchased or content they've engaged with, then use that information to send more tailored marketing and sales materials.

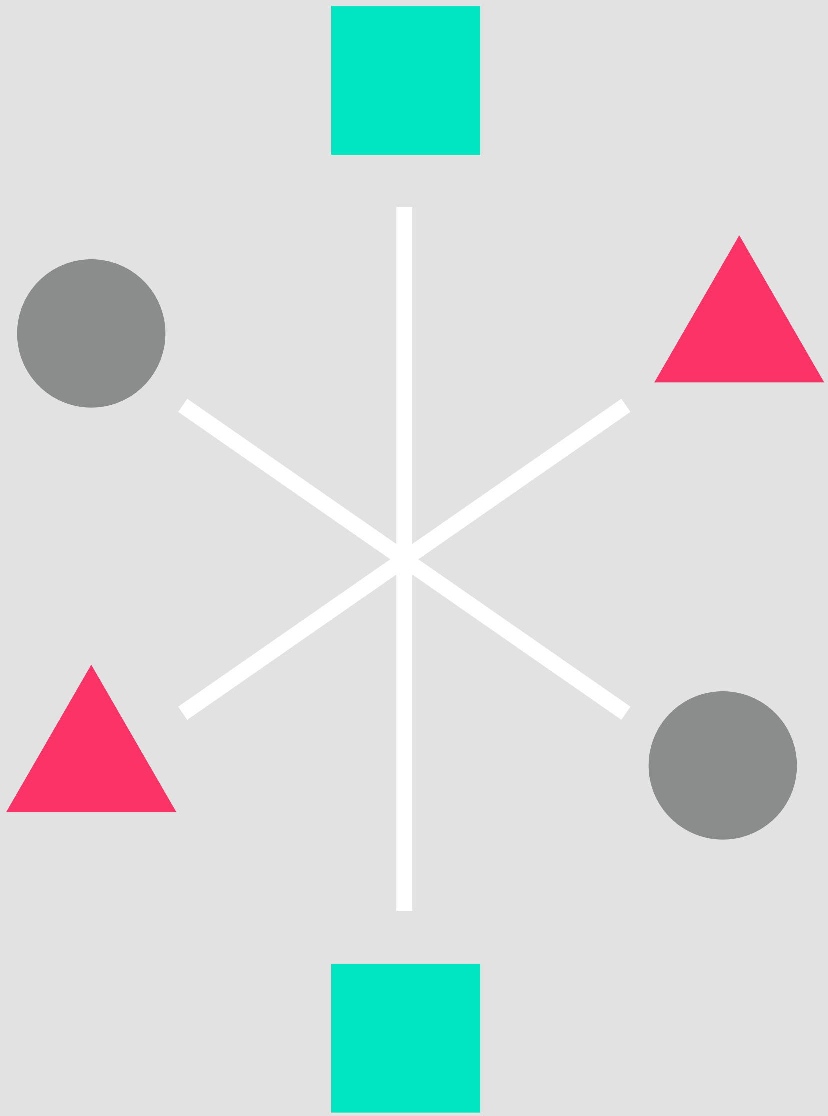
Provide a better experience that increases engagement to create a virtuous cycle



CHAPTER 3

Data Central–How to Organize Your Contact Data Mess

By now, you've probably assessed the damage of your current contact data management system. You've got some information here, other information there, and pulling it all together feels overwhelming.



Fortunately, cleaning up your contact data mess just involves a bit of strategizing and a good CRM.

A CRM can organize your data, automate reporting, and provide you with an additional layer of protection from hackers. By streamlining your data management process, you and your team can work more efficiently and build stronger relationships with customers and prospects.

Whether you're just getting started with a CRM or you want to better optimize your system, here are five steps to clean up and store your data the right way.

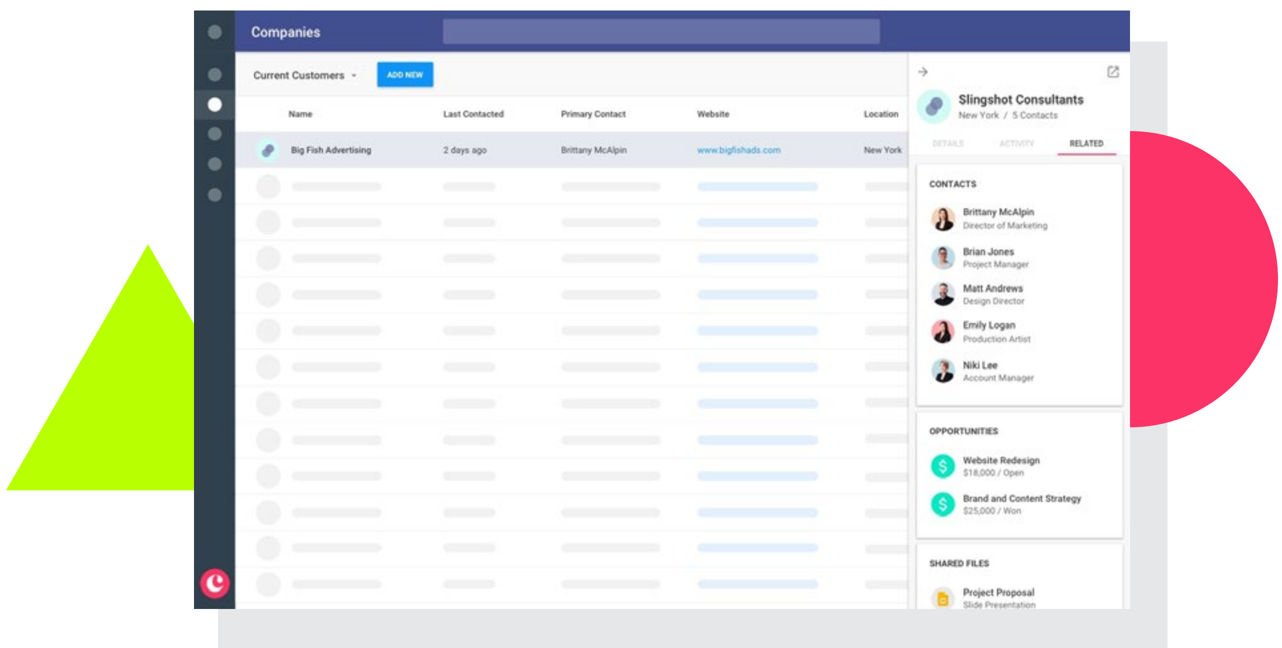
1

Determine your most important customer data

Cluttering your CRM with unimportant data will only slow you down. Before you start collecting any customer data, figure out what information is most important to converting leads.

Typically, businesses keep track of customer names, email addresses, and maybe phone numbers. A physical address or credit card information is likely to be crucial. If you're in the B2B space, you'll also want to collect company names and titles.

Other personalization details such as location, birthday, income level, or hobbies can also be helpful for creating personalized communication. However, if it isn't immediately useful, don't worry about storing it just yet—you can always start collecting it later.



2

Collect and import your contacts

After determining which information you'd like to store in your CRM, you're ready to import your data.

First, compile all your lead and contact information into an Excel or CSV file. You'll want to create unique databases for companies, leads, people, and any other contacts you may want to input.

Before importing your CSV, remove any irrelevant data. Duplicate columns, information you won't need, or empty rows and cells can all create a mess within your CRM.

Make sure each column header is clear and direct. If headers are incomplete, wordy, or confusing, data may be uploaded to the wrong section of your CRM. Avoid abbreviations and double check your spelling.

You should also check for consistency before uploading. Dates, phone numbers, and addresses should all follow a uniform format. If your customer has multiple phone numbers or a phone extension, separate them into unique columns.

Your CRM will pull the appropriate data from your CSV and categorize it for you. However, be sure to correct any errors and double-check your upload to ensure your information is stored in the right place.

If you're collecting contacts offline, you'll have to add them into a new CSV file and upload it again. The good news is many CRMs have integrations with tools like Google Forms or Typeform that can automatically add new leads or contact details for you.

Also check if your CRM can integrate with G Suite—if it does, it might be able to collect contact information as you're communicating with new leads and customers in Gmail. This can save you the additional step of creating and importing a CSV while keeping your CRM up to date and accurate.

3

Create custom fields and tags

Think of custom fields as categorization buckets for when you're recording and reporting data, and tags as details that give you an extra layer of context.

For example, if you met a lead at a tradeshow, you could create a "Source" custom field—in this case, you'd put "tradeshow"—so that at the end of the year you can see how many leads came from trade shows. You could also add a tag to that lead for the name of the trade show ("The Paperweight Trade Show") or even the location ("Dallas") to get more granular to see what type of trade shows worked.

Essentially, tags make it easy for you to segment your leads or customers within your CRM. Diligently using tags can make it easy to classify customer groups as well as send unique campaigns or pull specific reports based on those individuals. The more you know about your customers, the more targeted the information you can send them.

However, it's easy to get carried away with tags. You may be tempted to create a unique tag for each marketing campaign, product, or event. This can clutter your CRM very quickly.

Use tags that are direct and clearly defined. As a best practice, create a short list of evergreen phrases that apply to various campaigns, transactions, or behaviors, such as how the lead was generated, where the lead is in the customer lifecycle, or what email blasts they are subscribed to.

Use similar conventions when creating your tags. For example, don't switch between using dashes or semi-colons. Make sure everything follows a similar flow.

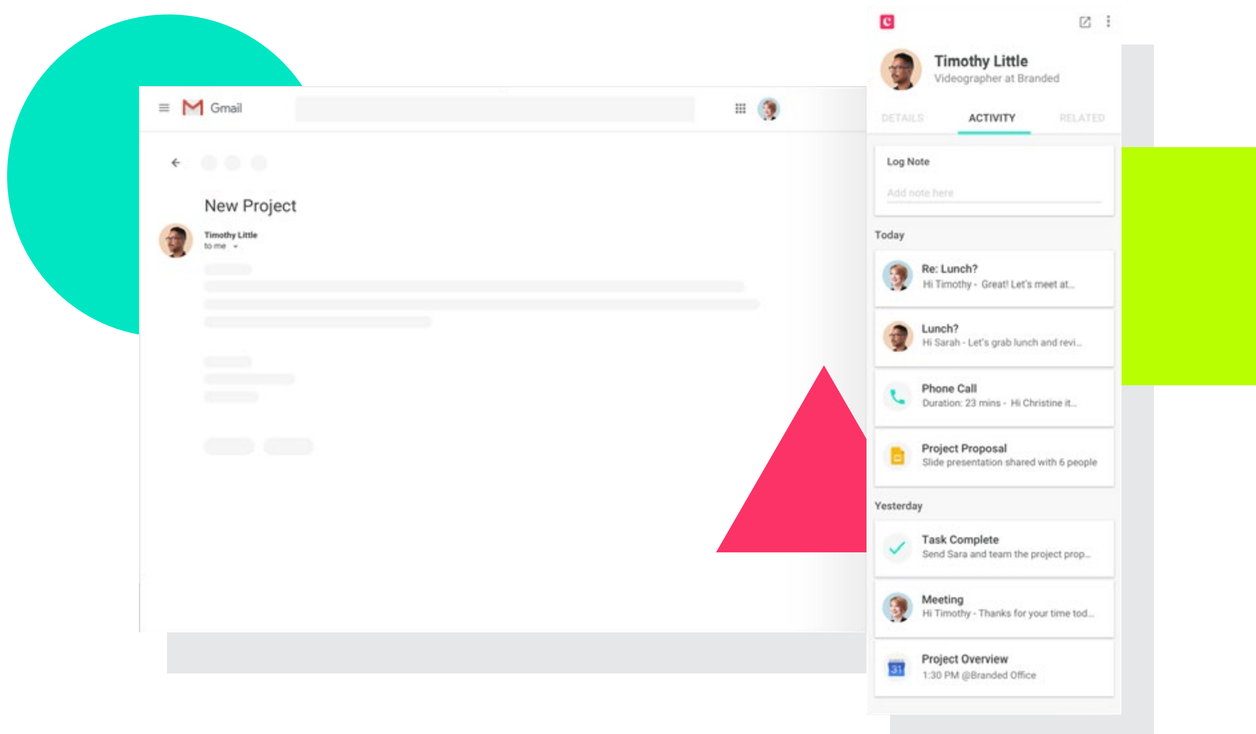
4

Integrate your CRM

Your CRM can be so much more than just a place to store customer data.

Through native integrations with other apps and tools, CRMs can even streamline significant parts of your workflow to boost productivity.

For example, Copper is a CRM that lives completely in your Gmail account, which means it automatically captures email contents and your contacts' information by scanning their email signatures and public internet profiles—all while you seamlessly transition between communicating with customers, leads, and team members.



This can save hours and hours of time for individuals spending large chunks of their week in G Suite. According to the CRM Benchmark Report, almost 45% of individuals in the U.S. are spending 20 hours or more in G Suite, with Gmail being by far the most popular G Suite app.

HOW MUCH TIME ON AVERAGE DO YOU SPEND WORKING IN G SUITE EVERY WEEK?

SMALL BUSINESS

Less than 1 hour	0.9
1 hour	1.1
2-5 hours	10.5
6-10 hours	15.1
10-15 hours	13.2
15-20 hours	14.1
More than 20 hours	45.2
TOTAL	**1116**

MEDIUM-SIZED

Less than 1 hour	1.4
1 hour	1.6
2-5 hours	16.0
6-10 hours	28.2
10-15 hours	15.8
15-20 hours	13.1
More than 20 hours	24.0
TOTAL	**1021**

ENTERPRISE

Less than 1 hour	0.8
1 hour	2.5
2-5 hours	18.1
6-10 hours	26.8
10-15 hours	19.2
15-20 hours	15.3
More than 20 hours	17.3
TOTAL	**365**

By connecting your CRM with the rest of your tech stack (like Dropbox, Mailchimp, and Quickbooks), you're reducing the amount of time your team needs to spend swiveling between devices and systems, inputting data, or waiting for new tools to load—freeing up serious time in your day.

WHICH G SUITE APPS DO YOU USE THE MOST? (MORE THAN ONE ANSWER POSSIBLE)

	SMALL BUSINESS	MEDIUM-SIZED	ENTERPRISE
Gmail	97.0	87.6	81.4
Google Drive	81.1	75.3	73.4
Google Calendar	84.5	69.9	59.5
Google Docs	67.8	69.0	68.2
Google Sheets	67.5	62.7	53.2
Google Chat	21.3	31.8	38.4
Google Slides	21.1	32.6	32.3
Hangout Meet	21.8	24.3	22.2
Not applicable	–	0.2	–
TOTAL	**1116**	**1021**	**365**

5

Develop a maintenance plan

Your CRM is a machine and in order for it to run smoothly, it needs to be maintained. If you allow your CRM to become outdated or disorganized, it can quickly become inefficient and eat away at your productivity.

Like any other machine, your CRM should have a clearly defined maintenance plan. This includes developing a system for clearing out stale records as well as updating contact information with new information.

Each record within your CRM should have a unique dashboard that provides insights such as when the individual was last contacted and when they were last active. This allows you to clearly see if a contact is still engaging with you and your organization.

You can streamline the cleanup process by setting automated triggers to flag accounts that are inactive for a specific number of days. This allows you to easily filter out accounts that are good targets for a follow up—or it might be time to purge them from your list.

Your maintenance plan should also include dealing with duplicate entries. Pay close attention to similar information between records beyond just having the same first and last name. Duplicate entries may include nicknames or incomplete records, both of which can, if you're not careful, look like different contacts.

If your CRM doesn't have an internal process for identifying duplicate entries, you can pull your information into a CSV and filter your records, then eliminate any duplicates and re-upload the clean CSV to your CRM.

When creating your maintenance plan, specify how often you're going to reconnect with outdated contacts and check for duplicate entries. Putting your team on a CRM cleaning schedule can keep clutter to a minimum and ensure you're functioning as efficiently as possible.

EPILOGUE:

Managing contact data more efficiently is only the first step to building stronger relationships.

Relationship-based selling isn’t going anywhere any time soon, which means neither is your customer contact data.

Your contact data is much more than just phone numbers and email addresses—it’s a way to create long-lasting connections with customers and clients. When paired with a high-powered CRM, you can manage and analyze those connections to create more sales.

Make sure you’re storing consistent, relevant, and accurate information in your contacts’ profiles. Use tags to efficiently segment and categorize your customers and monitor their engagements, behaviors, and transactions. Clean up and eliminate any duplicate or outdated entries to keep your CRM (and your team) running smoothly.

With the right foundation in place, no amount of customer data is insurmountable. And with better data, you'll be able to understand your customers' needs better, communicate more efficiently as a team, and build longer-lasting relationships.

Copper is the CRM that works for you.

Copper is the leading CRM for G Suite and recommended by Google. It works instantly through a seamless integration with G Suite, has a beautiful user experience, and is designed to help teams and business build long-lasting relationships. Copper services more than 15,000 paid businesses in more than 110 countries. Headquartered in San Francisco with over 200 employees, the company has raised $87M in venture capital financing to date. For more information or to sign up for a free trial, visit copper.com