

MBS: CRM Defined

Customer Relationship Management (CRM) is the strategic use of information, people, processes and technology to manage the customer's relationship with the Bank in terms of marketing, sales, services and support. Bank Muamalat understands the vital need to maintain a strategic focus on CRM and it must have the ability to manage customer's life cycle across multiple channels.

Customer Touch Points are defined as:

- **Personal:** Face-to-face interactions such as Customer Service Representative; Teller; Sales Representative
- **Phone/Fax:** Interaction is via telephone, cellular, sms or fax machine
- **Mail:** Interaction with a specific customer via prints such as letters, brochures, etc.
- **Internet:** Interaction with a specific type of customer over the Internet
- **Email:** Message/ interaction via electronic mail with a specifically identified customer.
- **Contact centre:** A more organised way of communication to record and manage customer interaction using the various methods found in phone/fax, mail, internet and email.

“CRM means recognizing the customer wherever they interact with the Bank i.e. a 360 degree view of the Customer”

Nowadays, being able to recognize the customer using past information collected is not enough. More important is **how we use the information collected** to interact effectively in each **future interaction**. We can deal with the customer more effectively and differently (showing concern, empathy, offer to provide alternatives or committed resolution) if we have prior information of the customer's last significant activities with the

bank e.g. large withdrawal/deposit, a complaint lodged, an outstanding request not fulfilled, etc. Information about customers is critical to increased understanding and improved service, thereby enabling the Bank to build trust and bond with the customer. Apart from having this holistic view, we also need tools and the proper training on how to use the data available to improve our relationship with the customers.



The CRM Capabilities Modules

The four components of CRM Capabilities can be summarised as follow:

1. Understand Markets and Customers

This is about having the intimate and accurate data and information about our customers. Understanding the customer's profile, segment, ongoing activities, loyalty and affinity with the bank, percentage of customers who use one or more of the services after using Bank's initial service, etc., are just some aspects of customer intelligence that help drive business strategies, cost effective marketing and service formulation decisions.

2. Develop Offering

This module allows us to think of the following when developing banking products and services:

- In which segment is the Bank performing best?
- With what Product?
- Through which channel?
- Who buys what? At what price? At what profit margin?
- Profitability by product line and product life cycle;
- Designing and executing targeted marketing campaigns, e.g. customer acquisition, cross selling, up selling
- How can leads be cost effectively captured and capitalized as revenue opportunity for sales force to close it?

3. Acquire Customer

- How complaints are captured from all touch points and managed (escalation, tracking and monitoring);
- 360 degree view, integration of customer information from across the entire organization: Branch/ Call Centre/ Internet/ ATM/ Payment Systems and Credit Checking Bureau
- Case management – how moments of interaction are captured and logged into the system
- How service requests from across all touch points are managed and tracked
- Performance monitoring and Management dashboard
- What is customer saying about the bank in terms of Satisfaction level at all contact points (such internet, phone-ins, physical branch locations), Speed of service, knowledge of staff

4. Retain Customers

- Aligning loyalty programmes to CRM – structuring loyalty programmes to attract and cultivate only the right customers
- Delivering the right loyalty programme for the right segment of customer base
- Customer Loyalty Analysis - Tracking behaviours & purchasing habits

Therefore, it is **imperative** for us to have a CRM system which will **support Bank Muamalat's Vision and Mission**.



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