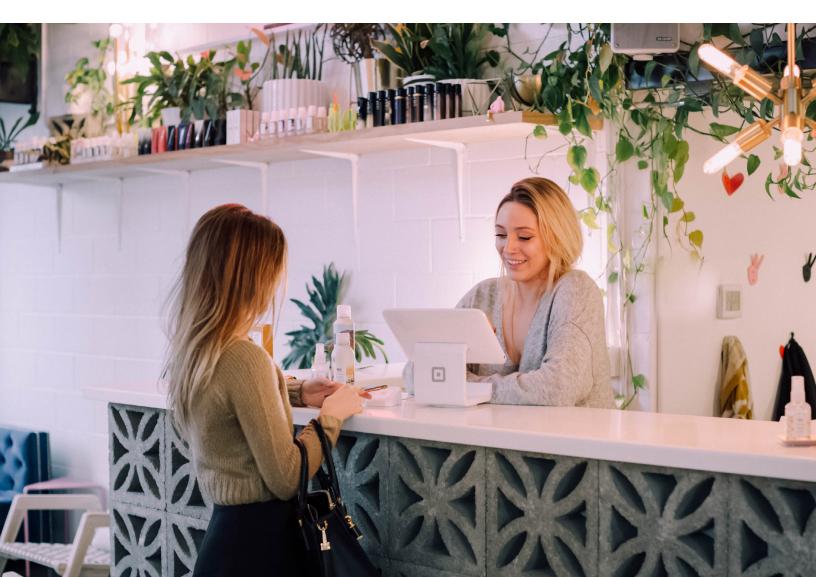
## CRM: System or Strategy?





The tools and technology to acquire, retain, and grow a brand's best customers are proliferating and advancing personalization and real-time insights at a dizzying pace. For those of us who design strategies for the most loyal customers, it's exhilarating to imagine the possibilities. But the truth is, we also harbor equal fear that the growth of CRM technology is shrinking customer relationships. Real relationships, not just the "I engaged in a piece of targeted content" kind of relationships.

The "R" in CRM has persisted because it is essential to keeping and growing customers. As in real life, a connection does not make a relationship. And a relationship—as many of us may know only too well—can also be one-sided or imbalanced. The best customer–brand relationships are like the best human relationships: two-way, built on trust and mutuality, forged through bonds that make you an enduring part of one another's existence.

## Customer relationship health check

So as part of customer relationship health, you should probably be asking not only "is my customer loyal to me?" but also "is our brand loyal to the customer?" According to The Bond Loyalty Report (in partnership with Visa), **barely more than a 1/3 of customers (35%) feel the brand is loyal to them.** We've been tracking this since 2021 because of the growing sentiment that customers feel loyal to brands that are also loyal to them.

Are you showing loyalty to your customers?

It pays off...literally. According to our data, brands doing this well see a lift in monthly spend: \$26 among loyalty program members and \$50 among cardholders. Clearly, demonstrating loyalty is valuable, and yet, it's also clear not enough people are feeling the brand love.

Are your loyalty and CRM communication strategies aligned?

One of the biggest areas for demonstrating that loyalty is making sure your loyalty programs and strategies are deeply fused to your broader omnichannel customer experience. CRM and loyalty strategies are often misaligned, largely because they are managed independently of each another.

☐ Is the member experience part of the overall CRM strategy?

Brands that rise to the top in the loyalty space consider the membership experience as part of their CRM strategy, delivering on the member expectation of "know me" across all the relevant touchpoints. When a brand interacts with a member at the right moments, the brand experiences a 6.8× lift in agreement that the brand experience is better because of it.

So as marketing automation and CRM technologies become more intelligent, brands who win are the ones who focus on nurturing and building two-way relationships and bonds. After all, CRM, not an AI system, should be the guiding strategy.



How have brands demonstrated loyalty to you? Any interesting fails? Share your stories with us...

