

Gamification in CRM – the next logical step

Guy Phillips looks at gamification and how, rather than creating an unnecessary competitive environment, it can serve as a supportive tool to enable a firm's goals.

This article originally appeared in *professional marketing* magazine. For further details go to www.pmforumglobal.com

This year over 50 percent of organisations that manage innovation processes will gamify those processes, Gartner has predicted. Gamification in business is being seen as a way of improving business performance, stimulating innovation, improving customer engagement and even inducing cultural change. Many businesses are already using the concept. For example, Samsung is already using the concept for social loyalty and customer engagement – the company creates user-generated content by rewarding users for getting engaged with the community and in exchange awards them with badges and levels of achievement. Per Wikipedia's description, gamification is the use of game thinking and game mechanics in non-game contexts to engage users in solving problems and increasing users' self-contributions.

Gamification is a natural fit

There is a strong business rationale for professional services firms to adopt the concept of gamification to improve client engagement and business performance. In fact, the professional services sector is a natural home for it. With generation Y (people born in the 1980s and 1990s) entering the workforce, professional services firms cannot afford to ignore the requirements and attitudes of this new, technology savvy generation. A recent study by PwC of its own workforce reveals that by 2016, almost 80 per cent of its employees will be generation Y. It is safe to say that these findings are repre-



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sentative of all professional services sectors. Given the plethora of personal devices and technologies such as online gaming and social media already a key part of their lifestyle; the new workforce is likely to thrive on this kind of competitive, gamification approach to self and business performance.

League tables to monitor customer engagement

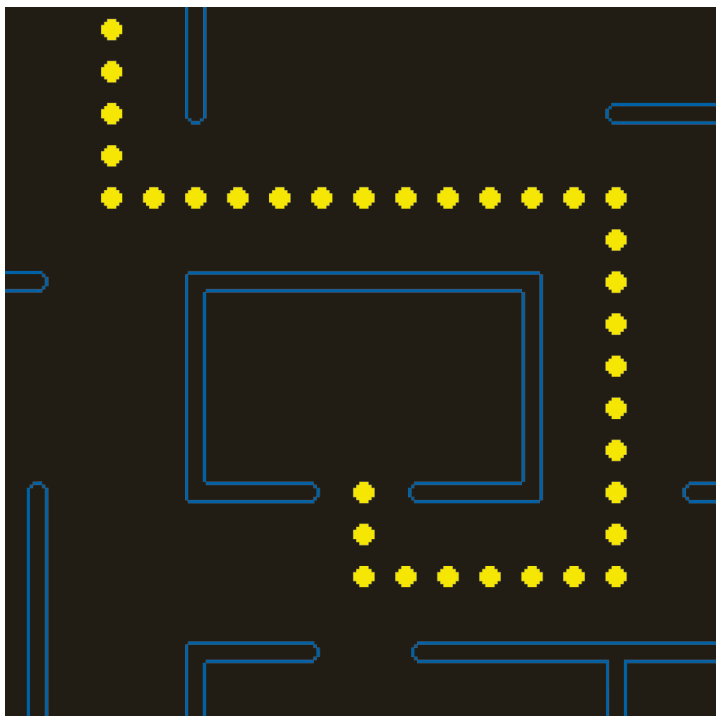
Workforce aside, there is strategic business merit in adopting the idea. Gamification offers a 'management by exception' methodology – offering visi-

bility of the lowest benchmarks, and encouraging firms to improve those thresholds by continuously raising the bar.

In the current competitive market landscape, one of the biggest risks to professional services firms is losing a client, which often results from poor client engagement. Using the concept of gamification within CRM, key client management can be quantified, measured (based on individual employee personal development and performance goals), and dynamic risk analysis tables created (drawing data from the CRM and other business systems) to monitor customer engagement and satisfaction in real-time – all the time raising the bar of acceptable client communication and interaction.

Let's consider some scenarios. In professional services firms, a key personal development programme objective is to build and strengthen contacts with current and potential clients. Leveraging the notion of gamification, in its CRM system, a firm can create a league table based on criteria such as number of existing and new contacts contacted, number of follow ups, number of two way employee-client interactions and so on. Undertaking such a comparison across respective peer groups will clearly illustrate the level of client interaction across the firm and help set new standards for individuals and the organisation.

Similarly, it is well recognised that in this people-led, relationship-dependent



professional services business, having multiple touch points in client organisations reduces the risk of losing clients. A table that lists the firm's clients and highlights the various contacts and how many times they are engaged in a month will ensure that the relationship with the client organisation as a whole is maintained and strengthened. Such an approach builds in an automatic mechanism that continuously abets higher level of client interaction and more importantly, offers visibility of areas of improvement. This approach would be particularly relevant in forming part of a key client management programme.

It's imperative that professional services firms keep a close eye on revenue projections. A dynamic league table in the CRM system that tracks and compares the revenue generation plans of all practice areas can be useful. The table could list all the firm's clients by practice area, current revenue levels of each client along with projected revenue streams. Aside from flagging up the gaps between actual and projected revenue levels, such insight could potentially throw up ideas for cross-selling and even for developing new and innovative offerings. The possibilities are endless and ultimately, the idea can be extended to monitor any kind of metric and provide a holistic view of its relationships and business performance in order to support the firm in meeting its strategic goals. This degree of client analytics is an imperative to developing effective targeted marketing initiatives

that are focused on specific business objectives. For example, a marketing initiative directed at growing clients is very different from one that is aimed at clients with declining revenues, or those that currently do not use all the service offerings/practice areas of a firm.

Benefits to clients

Client organisations have a lot to gain from this too. Timely access to and response from the firm is an obvious benefit, but organisations will likely receive a progressively higher quality service on a continuous basis along with the opportunity to request for more innovative and customised offerings.

Most professional services firms regularly conduct client surveys for feedback on service and satisfaction levels. Rather than the traditional survey approach, firms would do well to create gamification-based tables. Creating an active table based on the criteria that clients use to measure the firm will provide insightful information on the gap between perception and reality of how in fact clients benchmark the organisation. Additionally, clients will be able to see in almost real-time how well their feedback is being taken on board, where improvements are visible, where there is still scope for betterment and perhaps a 'red flag' for areas where no positive change has taken place. In this manner, both clients and the firm can escalate issues before they turn into unresolvable problems.

Strategically leverage CRMs systems for gamification

Firms looking to adopt gamification must view the notion strategically; and properly leverage their CRM systems to embed 'gamification' capability. For example, rather than creating disparate league tables, firms should look to develop a 'gamification panel' with drill-down functionality offering a dashboard style display based on selected criteria – be it to gauge customer engagement levels, revenue projections, peer group/practice area comparisons and the like. The panel could be tailored for different role types – ie. account manager, account director, partner, business development manager and such. This will ensure that the right information is visible to the right individuals.

Envisage a gamification panel: the league table lists a firm's clients, revenue generated by each company, for which practice areas, number of touch points in each of those organisations and from which practice areas, frequency of firm's engagements with the clients and by which members of staff. Every time the engagement level drops below a certain level, a 'red flag' appears on the dashboard alerting the Board/practice area/individuals. Such a 'live' methodology to track business performance will significantly help the firm identify its exposure to risk very early on, facilitating corrective action in a timely manner.

In fact, CRM system vendors have work to do here too. Perhaps they should be looking at devising a way to provide best practice benchmarks that reflect typical industry standards for client engagement and relationship management, so that firms can realistically set and compare their metrics with typical levels across the broader industry. This kind of information will provide great competitive advantage to firms.

Fundamentally, the objective of a gamification strategy isn't to create an unnecessary competitive environment within the organisation, but to serve as a supportive tool that promotes and alerts teams to tasks that they should be doing so that their actions directly map towards the larger goals of the firm.



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