



Waking up to Social Networking



“Don’t Get Left Behind”

**A reality check on Social Networking
& Customer Relationships**



© 2007 Creative Networks Protocol Inc.

Table of Contents

Executive Summary.....	3
“Customers are Now in the Drivers Seat”.....	5
“The Birth of the Collaboration Generation”	6
“Get Permission and Your Customers will Come to You”	7
“Win, Win or No Deal” Best Price is Not Always Best Value	9
“Establish a Plan and Build a Team”	10
Social Networking Tools.....	11
CRM 2.0 Tools – Comprehensive, integrated solutions.....	14
A Few Items to Remember.....	15
Conclusion.....	17
Glossary of Resources – Recommended Reading.....	18



Executive Summary

CNP Integrations is emerging as a leader in open source technology consulting and project management services. Through our experiences and extensive research with leading experts in the field of Social Networking and Customer Relationship Management (CRM), we have identified a need to help our present and future customers understand the urgency of adopting social networking practices and solid customer relationship strategies.

Our competency as developers and integrators of Web 2.0 Portals (Social Networking enabled websites), Rich Internet Applications (RIA) and Customer Relationship Business Management solutions (CRBM –referred to in this paper as CRM 2.0), which all leverage the innovations of open source technologies, has led us to present the conclusions explored in the following pages.

This paper is for decision makers that want to gain insight on the Social Networking revolution and how it can and will impact your customer relationships.

- Why is it important to read this whitepaper?

Today's business climate has changed and the customer is firmly in the driver's seat. Your competitors are always looking for the slightest edge and with the technology advances of the internet and a multitude of CRM applications it is truly a global marketplace. Our customers have come to expect and embrace companies that allow for partnering and empowerment. To quote Ian Jacobs writing for CRM Magazine, "When on-line businesses put customer feedback to use quickly, customers begin to expect it *from* all companies."

- What you will lose if you do not get on this bandwagon?

Just take a moment and review the December 2007 edition of CRM Magazine and you will quickly see the point. The entire magazine is dedicated to CRM 2.0 and the empowerment of the consumer. Again, in the December 2007 edition of CRM Magazine, Jessica Tsai writes in the article, “Power to the People,” that “Now that consumers can create content of their own, marketers no longer control the message. If you can’t lead the conversation, you’d better learn to be part of it.” Your consumers, and competitors, already have access to vast amounts of data from many sources. To allow your competitors to become the “go to” source will drive your current customers away and future customers may never find you.

- What is the urgency to embrace Social Networking and Customer Relationship Management into your business strategy?

The urgency to implement a plan to embrace your customers through Social Networking and CRM 2.0 is now! Forester Research reported that recommendations from other consumers and consumer opinions posted on-line were the two most trusted sources of advertising. Paul Greenburg, the recognized CRM guru and author of *CRM at the Speed of Light*, states “It is time to recognize that there is a customer ecosystem... that provides empowered customers who are increasingly interested in making their own choices in how they interact with companies that they do business with. That means that not only does the company need to provide the goods and services, but the tools and culture to make the experience of that customer one of paramount and unparalleled value to that customer and thus to the company in return.”

To understand Social Networking (Web 2.0) and the advantages of CRM 2.0 to your business you have to look no further than your customer.

"Customers are Now in the Drivers Seat"

In previous business trends we always assumed that we understood what our customers wanted – we developed elaborate marketing schemes – anyway possible to physically get our message or brand image in front of our target audience. Marching teams of sales and marketing professionals, a media blitz of advertising all designed to confront as many prospects as possible in as short a time as possible. Quite simply that approach no longer works as it has sent all of our prospects running for cover. The old approach never really took the customer into consideration, we just told them what we wanted them to hear and pounded them into submission. No wonder they ran to their offices, locked the doors and signed in online – ahh on-line.



Today's customer is savvy and like you they have way too many tasks than time to accomplish. Your business approach must take into account and empower your customer to have an active role in your engagement with them. The customer is now the gatekeeper of the entire transaction and we must embrace them. Of course, the service or product you provide must meet or exceed the customers needs but it is equally or more important that they have an ownership role in getting to the end result.

The Internet and CRM Systems have evolved and matured to dynamic tools that are now available to companies at all levels. During this growth we've seen the Internet (Web 1.0) and CRM (1.0) go from an internet of one-way communication where websites were and simply posted and CRM systems were expensive proprietary software packages riddled with complexity and desktop dependent. From today's evolution of Web 2.0 and the maturity and rapid growth of open source CRM projects like SugarCRM and CMS projects like Joomla! or Drupal, Web 2.0 has given us new user friendly tools that are highly customizable and accessible to non technical users. The open source revolution has brought us web-base content collaboration tools that are easy to deploy at a low cost of entry and can be freely integrated with other systems. "Commercial Open Source" solutions give businesses a best of breed option. Businesses receive the advantages of the stable supported platforms of "Commercially Ready" software products coupled with the low cost of entry and "fast innovations" associated with open source communities. This concept of commercially enhanced platforms like the info@hand CRBM system blended with customer service and support through value added service providers like CNP Integrations and the fast innovations of open architectures like Joomla! can offer businesses a greater sense of security, cutting edge technology and a significant return on investment.

CRM 2.0 has clearly leveled the playing field in what has become a global business opportunity for all.



"The Birth of the Collaboration Generation"

The original internet, say Web 1.0, has been viewed as the internet of one way communication, a virtual library were we would go to seek information and that would be it. Companies would evolve to have a "Website" a simple portal to display pages of information that was assumed relevant for visitors to see. But how did you really know? Customers began forming opinions of the products or services found on the web – a place were they could see the industry as a whole from their perspective not just the perspective your sales team shared with them. A place were they could compare products and services without the constant pressure of having a person pounding a single message, one they weren't sure was in their best interest.

These customers formed opinions and views and began sharing them among themselves, first personally as in association meetings and business forums, then via email to their colleagues, and now directly "from" the web. Sound like Social Networking?

Web 2.0 – the web of social networking. A web centered on two-way communication between individuals and groups of people. Sounds like chat at the water coolers – yes it is. Just a really big water cooler- global water cooler. Sounds like that is were you want your business to be? Should they be talking about you? Should you be listening? Should you be talking back? Absolutely, yes to all!!

Web 2.0 has spawned an era of social communities and collaboration such as YouTube, MySpace and LinkedIn to name a few. These online "social networks" are on a path to replace many traditional physical "social networks." For example in the past your business would join the local chamber of Commerce to "network" with other business professionals. While this is still a valuable way to connect with potential opportunities and colleagues, the global reach provided within on-line communities opens the door to new approaches and strategies that could potentially bear greater fruit.

"Get Permission and Your Customers will Come to You"

With growing competition and a global marketplace the need to reach further and connect with more prospects becomes more important. Equally important is the cost of connecting with these prospects. Combined with the fact that people are tired of "Spam" and unsolicited communications it is paramount to "Get Permission" from them to contact. So how do we do this? By demonstrating added value and encouraging their participation in the process.

Establishing dialog and trust is the key to any sound business relationship, and it always has been. Human nature has not changed, just the way we continue to implement technology into our daily conversation has. It used to be we would send vast teams of sales person out to our prospects. A round robin approach developing individual relationships and after many tries potentially a sale. Of course as we sent out our teams so did our competitors, as did others, and so on. Sooner or later, if you really understood the market or you're selling a commodity, somebody made a sale. After time, the sales person hopefully developed a personal relationship with this customer and later, after successful delivery and performance of your product or service, you have a "loyal" customer.



But as with any line there is always someone in the wings waiting for you to fail. Research shows that you may survive one large issue product related or otherwise but after two your loyal customer is no longer your advocate and is ripe for your competitors to pick.

What of that sales person that you are sending in there a couple times a month – that is your face or portal directly to your customer.

Are all the messages you need to relay to that customer being relayed or is just the "Marketing" hype? Does the sales person really know the status of your customers' projects within your business or are they just digging for additional opportunity and neglecting the current business and relationships that may already be established? And what if that sales person leaves your company or moves on to a different industry? Your portal to that customer is now broken and it could be years to re-establish a successful relationship if you are that fortunate.

"Customers can see through hype. Give them sincerity and you can gain their trust."

Here is where building a Social Networking community comes in. Yes it is a "Community;" a community that your customer is likely to already be a part of. I believe it now safe to say we all have a stake in the internet. And as with most technology trends it has grown and evolved faster than anyone could have guessed. Our customers have done more than evolve with it, they have evolved "IT" – and which ever generation you belong - some have embraced it, some have learned it, some have grown up with it – but we all use it, like it or not. And that realization is extremely important to understand – because that is where our customers really are. The Web has grown into a comfort zone where they research products after your sales person leaves their office.



Here's an example. Say you are going to purchase a pricier electronic device; we'll use a MP3 player for example. In the past, you would drive to the mall. Visit all the chain electronic stores and then some. Any attempt to gather as much information as you could from the salespeople (if you could find one knowledgeable and available) and try to learn enough to make an informed decision. This was often time consuming, required physical travel

and frequently left you frustrated and yearning for more data.

Today we simply get on-line, search for our product through any number of search engines and in a few seconds we have access all sorts of data from users, retailers and manufacturers alike. Just the cost savings of our time and travel is such a huge benefit that its value often exceeded the purchase cost of the product itself. There are no pushy sales people and usually you can read reviews (good or bad) from people who have actually used the product.

But how we value the information we find on-line is what is so very interesting. Research shows that in many cases, when there is a selection of data to be found, we chose blogs and forums to get information from individuals we assume are like ourselves. We communicate back and forth interviewing others that may have used the same product or a similar item from competing manufacturers and then start to form our own opinion. As you see, the significance of "Word of Mouth" has not changed, just again, the where and how we communicate has. At times we are deriving an opinion from someone we never really met but since they had posted some type of information relating to our need, we assume they are like us and grant them instant credentials.

The point here is that when people are asking and talking, they need to be talking about you. In this global business climate you must be in the discussion. Just imagine for a moment when online searches evolve to identify persons and objects by video images and how this will impact social communities such as YouTube or web camera sites. Ultimately, for your own company's survival, you must have a plan that embraces your customer through Social Networking. In addition, you may need a way to manage and evaluate these relationships. You can gather business intelligence to guide your business towards the needs and expectations of your customers.

So who really benefits?

"Win, Win or No Deal" Best Price is Not Always Best Value

What do your customers really expect? Perhaps they have a need that your company can provide a solution for be it a physical product or a service. They expect competitive pricing and outstanding value, they expect on time delivery, they deserve and expect outstanding customer service, they deserve and expect honesty, transparency and authenticity.

Let's assume for a moment that your company provides a physical product, you have competitors, and you're all vying for the same customer base. For the most part your products are similar and somewhat interchangeable. What really sets you apart? Your customer service and your customer experience does.

Customers now want information on their schedule not yours, 24/7/365, delivered in a way convenient for them wherever they may be. When they communicate with you (no matter how they do it) they are looking for intelligent, accurate answers – their time is valuable like yours.

Again, customers are now the gatekeepers of the entire transaction. They want to feel like a partner in the process and to feel in control of the transaction. They either want to get the best price or the best value. Best value is emerging as the leader when a company can prove quality of service and support. This value added customer tends to have greater loyalty. But to achieve and receive these benefits of this trust you must provide the transparency, honesty and authenticity the customer expects and deserves in return.

When done honestly, both you and your customer ultimately benefit.

Make sure you ask yourself... With global competition how will you deliver on and build the trust and loyalty required to keep them?



“Establish a Plan and Build a Team”

There are many technologies that enable social networking and it is the mix of these tools that allow such personal communication to have such a powerful effect. People interact in many ways. Audio, visual, in-print, but the fact is that it's about the cohesive message and having a delivery tool that best meets your customer's expectations. As with the water cooler, customers now expect for your organization to have a web presence and they want to be part of it. They expect to be able to find product and service data, they expect to find input and references from your current clients, they expect to be able to communicate with and establish a dialog with you and your clients. As your business has grown into a global customer base with no geographic boundaries so has your customer. There is much less reliance on the physical location and/or meeting place, the virtual world of the web is much more prevalent and preferred. But with the boundaries gone, our ability to effectively communicate is paramount.



Establish a plan. This is a time for self reflection and to remove any boundaries that exist through your own organization. Your teams must be able to seamlessly communicate and work together to provide the best possible service or these downfalls will quickly become apparent to your customer and industry base. Map out a strategy and be consistent and honest. Use needs assessment tools, books, white papers and planning documents to assist you in outlining your plan. One example is the ***CMS Portal Planning Guide*** available at **cnpintegrations.com** (refer to “Glossary of Resources”). Seek the advice of a certified CRM 2.0 professional to assist in the development and implementation of a plan.

The CRM 2.0 community is evolving with technologies and experienced consulting talent that is readily available to guide you through the development and implementation of your plan. The open source CRM 2.0 products that exist today are getting easier to install, configure and support. With the growing need for collaboration of non-technical users to help with the evolution and maintenance of portal systems, content management solutions like Joomla! are growing in popularity. Several products offer features that until recently were only provided by the large proprietary systems. Today's open source CRM products provide a very stable high quality product with less risk, less time to implement and are often less expense. If you're a small business or do not have an IT group within your organization, it is smart to seek the advice of or partner with a firm that not only provides website design/development support but specializes in the integration of CRM 2.0 systems with your web portals. It is important to find a partner with solid CRM 2.0 strategy expertise and preferably certified professionals so you can receive the greatest value and return on your investment.

Social Networking Tools

Web 2.0 and CRM 2.0 offers many application components to deploy outstanding tools that can really add boost your customers' "Social Networking" experience. Listed below are a few popular application features or components that are highly valuable to any on-line presence and customer experience. This is the time to be confident – never arrogant.



1. Content Management System (CMS)

One of the key components of Web 2.0 is an easy to use CMS framework for interacting with your team and your customers. Remember, interaction is the key; we're setting up a site for 2-way conversation. The most important item to remember here is to develop a site that is customer focused and easy to navigate. Sit on the other side of the desk and review (or learn for the first time) what your customers experience when they contact you. Have easy access to information, data and the personnel that your customers really need. The customer is looking for and expecting transparency. This website is a portal to your company not the web. The web is simply the path. Your portal is your store front for the global market in which you are doing business in and your best foot must move forward. Your site must be inviting, offering easy access (not forcing customers to obscure locations for simple data such as phone numbers) and provide transparency to your organization. Your site must inform and educate explaining how you intend to deliver this information. Don't fall into the mind set that customers only look for the data you intend to provide. Use and listen to the industry blogs and forums to see what your customers are talking about and address those needs. Sites, as do companies, evolve. Be consistent as the biggest mistakes come from not listening, not evolving. There is a reason it's called customer service – need I say more. Consider using Joomla because it not only has over 2000 extensions but a large catalog of beautiful template designs and it is supported by one of the largest global development communities of any open source project on the market today. Joomla! also integrates with info@hand CRBM for a total business automation, mobile accessible, transaction and relationship management solution. This can provide you the ability for unlimited customization and creativity in your system design and Social Networking / Customer Relationship Strategy.

2. **Blogs**

"Blogging" is one of the most popular and relevant aspects of social networking today. One persons opinion posted on their site expressing their comments on anything they feel important to them. Anyone can do it, virtually free to set up, and they can say anything about anything right, wrong or indifferent. "Blogging" has grown into the business world via social networking to where industry experts express their views via regular and timely "posts" anxiously awaited by those following their industries. Blogs are very powerful, a single negative comment or issue posted by a disgruntled customer or industry expert can have devastating effects. But as with "Word of Mouth" simple conversation and positive remarks can produce instant credibility and confidence in your product or service.

Again, blogs are easy to produce. The key here is honesty and authenticity. This is an area where people must feel comfortable and open to express casual communication. A place where you should share information and seek feedback.

Most importantly, whether your group chooses to produce a blog or not, you must be viewing and interacting with blogs that are industry related to you. You must be listening.

3. **Pod Casts and Video Casts**

These tools provide a vehicle for delivering your message by audio or video format via email. We all travel, be it short commutes or many miles as in the case of the road warrior. A pod cast allows the opportunity to download a simple MP3 file to our MP3 compatible player or cellular phone (with this capability) and listen or view, as in the



case of a Video Cast, at our convenience anywhere we are. These are great ways to deliver a new product announcement, service announcement or upgrade, or to provide a regularly scheduled message or program to your customer base.

4. **Forums**

Forums like Blogs are a great way to establish and maintain dialog with your industry base or customers. Have some noted experts on your staff? Allow them to host a forum, provide informative data and information and poll the feedback. It gives your experts the recognition and contact they need within their industry circles and you receive priceless feedback from participates.

5. **Wikis**

Wikis, on-line encyclopedias are a great way to educate your customers and display your industry leadership. As an industry leader, your organization has a wealth of knowledge that can be shared and most industries have experts and/or consultants that bring vast knowledge to the table. By setting up an interactive Wiki, you have a place to display industry specific data, explain acronyms and basic principles. Use your experts to provide this data and if appropriate allow others in the industry to upload data and information to the site. One concept is for the Wiki to be a living document which can be monitored by your staff expert for content and accuracy.

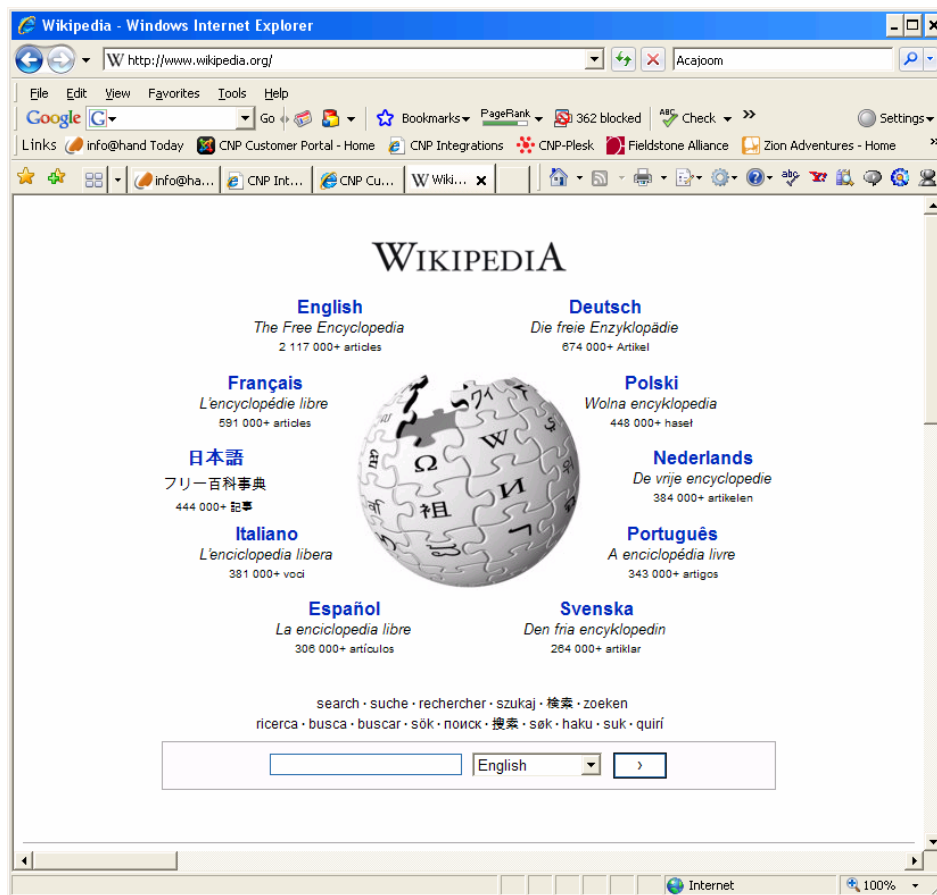


Figure 1:
Wikipedia.org a growing web phenomenon

CRM 2.0 Tools – Comprehensive, integrated solutions

Social networking can drive and fuel the bus but with a powerful engine you can go faster and further. CRBM (Customer Relationship and Business Management) systems offer complete transaction and communication lifecycle management enhancing the overall customer management relationship. There are several acronyms associated to compliment complete system integrations such as BI, CMS, CRM, LMS and PCS – the global concept is focused on building business intelligence to improve your customer relationships. Ultimately, you will use these systems to deliver your products and services better, faster and cheaper.

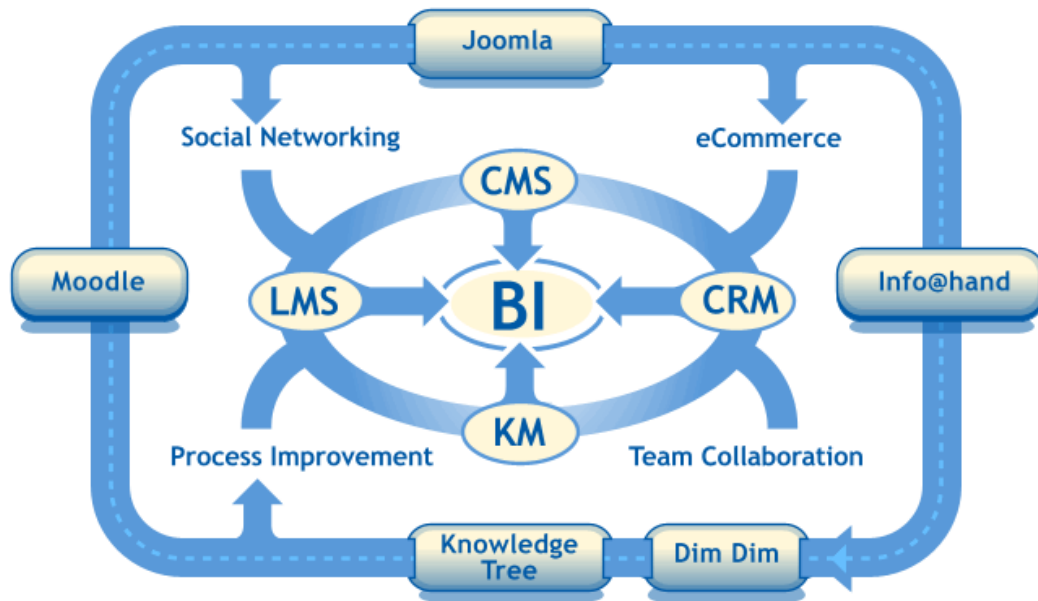


Figure 2:
Sample of a Small Business Implementation using a Commercial Open Source Solution

Definition of terms and applications

CMS	Content Management System
CRM	Customer Relationship Management
LMS	Learning Management System
KM	Knowledge Management
BI	Business Intelligence

Info@Hand	Full featured CRM 2.0 package with sales force and business automation, mobile portal, syncs with MS Outlook and QuickBooks
Joomla	Award Winning Open Source CMS – Integrates with CRM and e-commerce tools
Moodle	Full featured Learning Management System for managing teacher / student relationships and training assets
Knowledge Tree	Full featured document and knowledge management system.
Dim Dim	Feature rich collaborative environment offering web meetings with screen sharing, PPT conversions, and real time voice/video/text chat.

No matter how small or large your company is you need a focused and inclusive plan centered on your customer’s needs and tools to help you manage that relationship and content. You may have one person responsible for customer contact or hundreds of outside salespeople, the concepts must be all same. Every customer contact or relationship is important and follow up is crucial. It may be one of many calls (contact) to you, but it’s the most important call (contact) at that moment for your customer on the other end. You need to select tools and components that provide the best value for your investment. A product like info@hand CRBM offered by CNP Integrations provides a comprehensive tool suite at a price point that even small to mid-sized businesses can afford.



Here is a list of some features and components that should be considered with a CRM 2.0 system to receive the most value from your investment;

Installation Guides and Documentation	Human Resource Management & Timesheets	Product Catalog and Inventory Management
Extendable architecture for adding custom features	Quotes, Sales Orders, Invoices,	Purchase Orders, Outgoing Payments
Service Contract Management with Cases and Issue Tracking	Inbound/Outbound Email management	Campaign management
Company Directory and Team Collaboration Tools	Meeting and Call Resources	Sales Forecasting and Reporting
Workflow Automation	Document Management	Synchronized Customer Portal

A Few Items to Remember

Style counts. Customers will be drawn to a user experience that provides quality and quantity of useful information while industry colleagues are attracted to an experience that delivers a satisfying and rewarding forum for thought and data exchange.

You must have a plan. Map out your current business processes and determine how social networking, centralized transaction management and business automation can improve it. Review and map out all of your stakeholders (both internal and external) and determine what access both will need to information and processes required to fulfill your business goals. Based on a Gartner study in early 2003, roughly 42 percent of CRM applications are purchased then not utilized. To quote Paul Greenburg, “Without strategy, without benchmarks and measures, without cultural and process transformation, the software is rendered useless.”



Get a technology partner that can provide the guidance, knowledge, training and support for the technologies required to support your Web 2.0 and CRBM strategy. Seek a partner with the ability to understand your business vision and experience to integrate the right technologies and support to achieve success.

Conclusion

We've outlined a number of concepts and tools that can engage you and your customer in a 2-way conversation using Web 2.0 and CRBM. Out of this discussion three main topics should have emerged;

- What Web 2.0 and CRBM means and how we got here.
- The benefits of moving your company toward customer engagement as a social community or at least being part of the conversation.
- Examples of some Web 2.0 and CRBM technologies and resources that can help you create and implement a strategic plan.

Web 2.0 is a powerful change in the way we do business today and the concepts and practices can not be ignored. Companies that do not embrace these trends will clearly be left behind.

Our customers are intellectually growing and developing at an alarming rate. It is paramount to provide a business plan that will keep pace and embrace this growth.

We believe it is critical to your company's survival that you develop a plan and direction for your portal and presence on the Web that includes Social Networking and Customer Relationship Business Management. You can accomplish this in numerous ways; in house or through consultants such as CNP Integrations. If you're a small to midsize business, the low cost of entry into Web 2.0 and CRBM technologies has opened a whole new and exciting world of opportunity for you and your clients alike. When considering a consulting firm to partner with, make sure they are not just a web-site developer but a team that has the knowledge to guide you through the entire process and can assist with implementing the right technology solutions to match your plan.

We hope this has been useful information of which can help shape insightful opinions and foster good decisions on how and when your organization considers Social Networking and CRBM as part of your business strategy. CNP Integrations is a firm with certified CRM professionals, a dedicated service and support network and significant experience with open source architectures. We strive to deliver the best possible service, value and opportunity for our customers and look forward to the opportunity of serving you.



Glossary of Resources – Recommended Reading

The CRM community has many outstanding professionals and below is a very short list of books, training program providers and white papers that will further enhance your knowledge of Social Networking and CRM 2.0.

"CRM - At the Speed of Light"

authored by Mr. Paul Greenburg

"CMS Portal Planning Guide"

a comprehensive portal planning guide for CMS using Joomla!
available at CNPIntegrations.com

"Implementing SugarCRM"

authored by Mr. Michael Whitehead

"Building Websites with Joomla!"

authored by Mr. Hagen Graf

CRM 2.0 Certification Training
produced by RWD/BPT Partners Inc.
and available through CNP Integrations

"The World is Flat"

authored by Mr. Thomas Freidman

Other CNP resources to consider are available at: www.cnpintegrations.com

"Make Information Your Competitive Advantage"

Whitepaper by Michael Whitehead

Please call or email us and we will gladly send you a copy.