

Tank! questions the role of CRM

This year's summit in Monte Carlo put relationship building under the spotlight By Rachel Barnes

"Most people don't want a relationship with their bank." This was the controversial opening statement made by Bob Tyrell, director of Sociovision, at this year's tank! Forum, the summit for direct marketers in financial services. His comments were particularly stark considering that the two-day conference in Nice last month focused specifically on CRM.

Tank!, now in its fourth year, is a private club with hundreds of members from more than 80 firms in the UK and abroad. Drawn from senior decision makers, of which 76 percent are at director level, all have one common goal: to consolidate best practise and raise standards of customer communications.

Tyrell's words were a wake-up call to the delegates whose jobs are precisely about relationship building. CRM as most of the audience understood it, he added, was dead: "You have to get real and decide what your customers mean to you and why."

Every company, he asserted, must identify whether a one-to-one relationship with customers is really what they are striving for. If not, they must decide whether the relationship they seek should be purely value-based. "It's a choice between CRM – something that's important in the longer term – or CVM (customer value management),



Tank!: improving DM techniques

where the focus should be on the 'now'," he said. "You must put technology, churn and retention, and this year's profits above building a relationship with your customers."

But with technology often the reason why CRM projects fail in the first place, there were no surprises when the IDM's Julia Foster unveiled the results of Gartner's latest survey: 65 percent of CRM packages do not fulfil their promise.

According to Caroline Marsh, sales director at Virgin One, technology should not be bought as an end in itself. Speaking to delegates, she said: "Technology is an integral part of CRM, but it must be intelligently combined with people."

The critical issues up for

debate, such as customer-centricity, had all been identified by delegates in the previous six months since the last forum.

This sort of communication is at the heart of the summit, both in terms of networking opportunities and dissemination of industry knowledge and insight. But at this summit it was announced that the Tank! Forum would no longer be about one-off, soon-forgotten events: it would now operate a "continued learning process", according to Sean Larrington-White, chairman of Tank! and marketing communications manager at Royal Bank of Scotland.

He revealed that he, along with fellow "Tank! drivers", will work to sustain dialogue. Tank! will communicate with delegates and designated people within their companies all year round by direct mail, email, phone, fax, visits, and even one-day seminars. "Tank! is unlike any other conference, anyway," he explained. "This will allow us to review the progress and learning gained in the lead up to each future summit."

The ethos of Tank! is based on the constant improvement of techniques and, as a result, the reputation of direct marketing in the financial sector. This is mainly achieved through the world's largest direct mail benchmarking system which it has in

place, collated and monitored by ACNielsen MMS. Industry standard data is collected every six months from participating members in complete confidentiality and provides a chance to share and compare results with member companies.

Using this direct mail library, Tank!, in collaboration with the Royal Mail, created the People's Choice Awards. Presented on the first night of the summit, it is the only consumer award to recognise direct mail excellence in financial services and identify those who are performing to the highest of standards. The mailings are split into five categories and the winners were: credit cards: Egg; personal loans: Co-operative Bank; savings: Capital One Bank; general insurance: Prudential; and life insurance: M&S Financial Services.

With 68 delegates, numbers were not as high as had been expected. "But when you consider that 40 percent of UK conferences have been cancelled, let alone international ones, it was a huge achievement," said Larrington-White.

Delegates unanimously agreed that Tank! is undoubtedly the only way forward for the industry. And the numbers of institutions taking part pays testament to its importance, proving that the financial sector is eager to improve its reputation.