

RDO Equipment Co. Moving Forward with CRM

North American farm equipment dealerships are at various phases of adopting and developing Customer Relationship Management systems. Some are still trying to figure it out, while others are well along in their CRM development.

RDO Equipment Co. is one of the industry's pioneers when it comes to implementing a CRM system. As one of John Deere's largest dealer groups, with more than 60 locations in 9 states and more than 2,200 employees, RDO is in the forefront of adopting the technology.

Greg Erickson, market database analyst for RDO Equipment Co., says they've built their own software that ties into their business system as an account management and CRM tool. It is designed to assist with customer relations and communications, but not for automated marketing communication. Erickson says the organization chose to design the CRM to export contact information to stand-alone outside marketing systems, which process print and email campaigns directly to customers. With the two systems operating independently, updates are more immediate and less complex to install.

In the RDO system, account managers are assigned a client base and the CRM organizes the contact level with each customer and remembers their potential product segments. It's used to schedule personal customer communications and then track follow-up through the pipeline as it relates to wholegoods, parts and service sales. While they've grouped customers so marketing communications can be targeted to those most likely to respond, Erickson feels there is need for further refining its segmentation.

Erickson sees potential for using the system to develop predictive analytics to assist with inventory control, especially on the agriculture side of the business. By analyzing commodity cycles, he expects to cater the product pipeline to demand and also staff each dealership for maximum efficiency. They're currently using information from online equipment auctions to assist in that process.

He also sees CRM as an essential tool to meet the organization's plan for growth both in expanding business with current customers and attracting new ones in a wide variety of product categories.