**CASE STUDY: Bosch Professional Power Tools implements social media CRM platform**

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**Introduction**

Bosch Power Tools is the European market leader in the professional power tools trade, supplying various professional users including the building, electrical and wood working industries. In 2010, the division’s associates generated sales of 3.5 billion euros, 90 percent of which was generated outside of Germany. Company’s focus is the client requests. The main success factors - innovation potential and the rapid introduction of new technologies. Market research has indicated that a dominant factor influencing consumer purchases of Bosch Power Tools is the experiences and recommendations of current Bosch Professional Power Tools customers. This necessitates the targeting of social media to positively influence and increase recommendations among the existing users of Bosch Power Tools products.

**The challenge**

As well as a presence on Facebook, Bosch Professional Power Tools uses the ‘Bob Community’ facility run through its website, attracting 460,000 visitors with 35,000 registrations. Bosch Professional Power Tools needed to ascertain whether its investment in Facebook was reaching the desired demographic and how the value of its Facebook fans compared to that of Bob Community users. This information would lead to the appropriate allocation of Bosch Professional Power Tools marketing resources and a focused social media CRM program.

**Types of CRM systems**

Operational CRM — registration and quick access to primary information on events, the companies, projects, contacts.

Analytical CRM — the reporting and information analysis in various cuts (a funnel of sales, the analysis of results of marketing actions etc.)

Collaborative CRM — level of the organization of close interaction with end users, clients, up to influence of the client on internal processes of the company (research, for changing qualities of a product or service, the web page for tracking the order by clients, SMS delivery about the events connected with the order or personal account).

**Questions**

1) Why did the company decide to implement CRM platform? (Why didn’t it choose another solution?)

2) What type of CRM system should company choose?

3) How do you think what information Bosch have received and how company use it?

**Solution**

Bosch Professional Power Tools was seeking a software tool that would enable an in-depth and bespoke analysis of the audience that its social network was reaching, thus facilitating a greater insight into its users and a clearer interpretation of customer feedback. After researching the market, Bosch Professional Power Tools selected the social insight tool by Globalpark, part of QuestBack, the European industry leader in enterprise feedback management (EFM).

The social insight software collates both qualitative and quantative research to help brands to better understand the individual consumer as well as the market segment targeted. Bosch Professional Power Tools employed the social insight software designed to continuously monitor audience participation with the results potentially influencing future audience interaction, brand strategy and product development.

With social CRM an important instrument in furthering sales of Bosch Professional Power Tools products and understanding the demographics of the audience using social media to communicate to potential customers, it enables Bosch Professional Power Tools to appropriately adjust the financial and human resources that it allocates to each service.  Ivar Kroghrud, CEO of QuestBack commented, “Social media plays an increasing role in today’s communication between brands and customers. Facebook is an amazing channel for building brand awareness and represents a way for people to directly connect with the brands and products they care about. However, organisations are yet to leverage the full potential of this meeting place”.

Social CRM software can fully integrate into the Facebook fan page, combining Facebook users’ profile data and direct feedback from their interactions with the page. This provided Bosch Professional Power Tools with statistical data from its social media CRM programmes through a fully integrated system, constantly analysing the profiles of users.

**Results**

Bosch Professional Power Tools needed to ascertain who was using its Facebook page and whether this audience differed from that utilising the Bob Community. By dividing the structures of business sectors, Bosch Professional Power Tools was able to quantitatively assess which professional trades used which social media application.

The results highlighted that the wood working trade, among others, had a significant presence on Facebook, enabling Bosch Professional Power Tools to tailor the use of social media within its CRM programme, taking into consideration the EFM results. This targeted specific professional trades, i.e. wood working, with relevant Bosch Professional Power Tools products, through the appropriate social media.

With only 11 per cent of Bosch Professional Power Tools social media audience using both the Bob Community and Facebook, it needed to determine whether the demographics of the Facebook audience were, as it hoped, younger than that of the Bob Community. The resulting analysis revealed that the Facebook page attracted an over proportional number of younger users. It included approximately six hundred apprentices in vocational schools, a market that Bosch Professional Power Tools had been aiming to target.

This data affirmed the need for the continued use of both Facebook and the Bob community to ensure that all demographics and professional trades that Bosch Power Tools sells to are covered through a bespoke and focused social media programme. It has been able to analyse each user on Facebook enabling the generation of new initiatives for future and current customers.

**Next steps**

Moving forward, Bosch Professional Power Tools aims to target both brand advisors and advocates, the most likely audience to influence potential customers. Brand advisors are particularly accessible through Facebook and with the increased customer knowledge that Bosch Professional Power Tools now has access too; the possibility to rapidly interact with fans to gain feedback on new products and marketing campaigns further strengthens its use of social media as part of its CRM programme.  Tracking the influence of brand advocates comments and reactions will enable it to pinpoint the impact and reception of these opinions facilitating an increase in the focus of the targeted social media. This in turn will create the most value from using social media in a CRM programme, for both Bosch Professional Power Tools and its customers.

Sources: B2B Marketing Knowledge Bank (<http://www.b2bmarketing.net>)

CRM at the Speed of Light, Paul Greenberg

Bosch Professional web-site (<http://www.bosch-professional.com>)

Bosch Professional facebook group