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Isolated but Connected Customers ‘The New CRM Perspective’

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Abstract

The point of departure for this study is the understanding of customer relationship management (CRM) as a set of technological solutions key for efficient business management, the benefits of which, highlighted by previous works, are presented and defined here as crucial for entrepreneurial success. Of particular interest for this purpose are the existing studies on sustainability, which provide a viable research model to assess and validate the potential effect of each CRM component (sales, marketing, and services) on the three dimensions of sustainability (economic, environmental, and social). Upon confirmation of our hypotheses, the subsequent validation of such model should bring a better understanding of the way in which CRM-related benefits may increase the positive impact of its components on each dimension of sustainability. CRM can hence be considered a sort of Green IT, oriented toward digital transformation and sustainable business model innovation. Indeed, this research model may be the basis for a more specific methodology to measure the impact and benefits of applying CRM, understood, as we will contend, both in terms of sustainable business models and innovation.

Keywords : 1 crm,2 digitalmode,3 customer

Introduction

CRM stands for Customer Relationship Management. Others prefer to call it Client Relationship Management. Mainly, the CRM Software allows businesses to manage business relationships, the data and the information associated with them. Successful CRM software solution are built around the people and relationships as in any business, you need to establish strong relationships with your customers. CRM is a strategy and technology that is used to build stronger relationships between organizations and their clients. An organization will store information that is related to their clients, and employees will analyze it to use it in forecasting and making reports. Some of the strategies of CRM software are planning for targeted marketing campaigns towards specific clients. The strategies used will be relying on the information that is coming from the CRM system. CRM software solution is commonly used by all kind of corporations that focusing on maintaining a strong relationship with their customers.

There are many reasons why CRM software has become the most important software in the last 10 years. The competition has become highly competitive in the global market, and it has become easier for clients

to switch companies if they are not happy with the service they receive or want the product with the low price. One of the primary goals of CRM solution is to retain clients and protect them from competitor's temptations. When CRM is used effectively, an organization will be able to build a relationship with their clients that can last a lifetime. It is so important to realize that CRM system solution is more than just software.

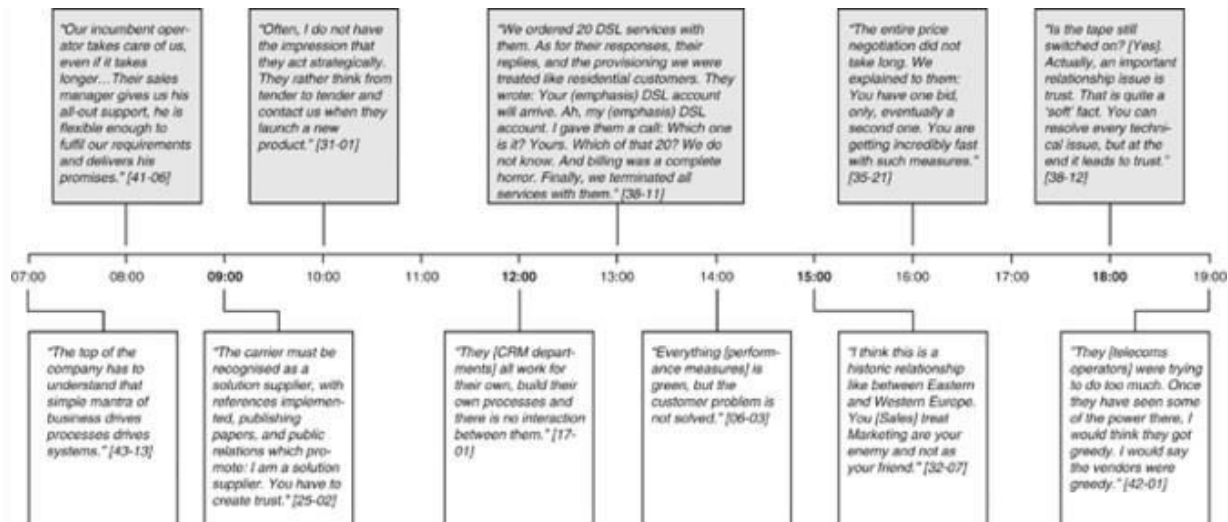
This CRM introduction aims to explaining what the CRM is in a nutshell and making it easier to realize the tremendous benefits of purchasing a Customer Relationship Management software that will help drive more customers thus more profit towards you and makes your life easier. A brief introduction to the Customer or Client Relationship Management is that it's a strategy used to learn more about customers' needs and behaviors in order to develop stronger business relationships with them. After all, good customer relationships are the heart of any business success. There are many technological components to CRM, but thinking about CRM in primarily technological terms is a mistake. The more useful way to think about CRM is as a process that will help bring together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends together to complete your business puzzle in order to bring the harmony into your work force.

If client relationships are the heart of business success, then the CRM is the valve the pumps a company's life blood. As such, Customer Relationship Management is best suited to help businesses use people, processes, and technology to gain insight into the behavior and value of customers. This insight allows for improved customer service, increased call center efficiency, added cross-sell and upsell opportunities, improved close rates, streamlined sales and marketing processes, improved customer profiling and targeting, reduced costs, and increased share of customer and overall profitability. Understanding Client Relationship Management CRM principles and practices is critical to any business success. Salesboom Client Relationship Management applications are geared towards helping companies streamline processes and increase revenues while keeping clients happy.

Materials and method

Interviewees' understanding of CRM

As an introduction to the 'real world'(pp. 116), [Figure 1](#) presents an example of CRM for corporate clients in service industries, based on a 12-hour diary of a typical CRM 'working day' – extracted from the analysis of interview transcripts carried out by our research study. This diary reminds us of CRM complexity in theory and practice. Interviewees identify the gaps between claim and reality. **Figure 1**



Diary of CRM claims and realities in service industries.

At the beginning of interviews, interview participants were asked to provide a short definition of their understanding about CRM. The objective was to ensure a mutual understanding of the terms used during the course of conduction of the interviews. Definitions varied between interviewees, depending on their expertise domain or personal background.

Here are some of the definitions of CRM reported by interview participants:

'CRM is a philosophy and a strategy conception. And leaders shape the design of the relationship with our clients'. Director of quality assurance of a telecoms operator

'For most sales people CRM is a piece of software deterring them from doing their job'. Key account manager for a fixed-network operator

'CRM to me is: I am using CRM as a single system which provides you with a complete view of the customer'. Senior director for applications development of a metropolitan service provider

CRM: concept and benefits

CRM is an abbreviation for Customer Relationship Management. It's a system used to build and manage customer relationships. A CRM system helps businesses manage all the interactions it has with customers and potential customers. With a CRM platform, customer preferences are recorded, and customer activity can be tracked. So every time they are spoken to, regardless of who they talk to, customers get a fully personalised and consistent experience. CRM software helps organisations streamline their processes and workflows so that every part of the business is on the same page. Sales and marketing teams, especially, rely on CRM to create collaboration and improve their productivity. The overall aim is to provide more engaging customer experiences, increase customer loyalty and retention, and drive business growth and profitability.

When you hear people talk about CRM, they might refer to the overall strategy of customer relationship management. Its goal is to increase sales and profitability, create long-lasting relationships with customers, and increase customer retention. It focuses on putting the customer first and delivering a better, more personalised customer experience. On the other hand, people often use 'CRM' for the technology, which helps a business keep the information of all its customers, leads and prospects stored

and organised in one place. In addition to this, a CRM_solution allows a business to track all customer interactions.

Collaborate through integration

Integrating data from different functions of a business helps you maximise effectiveness through collaboration. For example, potential customer contact details can be 'pushed' from lead capture forms on your website, into 'hot lead' action lists in your CRM solution – maximising collaboration between marketing and sales.

Manage pipeline effectively

By being able to visualise your sales pipelines, you can see exactly which deal needs your immediate attention and which deal has gone stale. By periodic monitoring of deals that pass through your pipeline, you can identify areas of concern and eliminate them, ensuring a clog-free pipeline at all times. Additionally, your marketing and sales team are better connected, ensuring your sales pipeline is always filled with high-quality leads.

Automate for maximum productivity

Businesses often execute various processes every day that consist of a series of redundant tasks carried out by multiple users. A CRM system can help you automate those processes to save time and drive consistency. You can automate tasks such as scheduling follow-up activities, sending email campaigns, or assigning contacts to a new sales rep. This way, you can make sure all your team members are following the same process from start to finish, and you eliminate the need for repetitive manual work.

Engage to build lasting customer relationships

In the modern technological world, a customer expects a lot more from a company than just a reasonably-priced, high-quality product or service. They want to feel understood, and they want to have an engaging, personalised experience whenever they get in touch with the company or vice versa. A CRM captures and stores every customer's journey from the start to the very end. By knowing their preferences, you can understand their needs, and by eventually giving them what they need, you get their loyalty in return.

Improve customer experience with shared information

For example, if a customer experiences a problem with your product, multiple teams can work together to solve the issue. While your technical support team is fixing the issue, the customer service team can communicate the solution to the customer and provide further assistance. At the same time, the marketing team can adapt their messaging.

Increase revenues

A CRM helps you improve levels of customer satisfaction, and retention – happy and long-term customers entail increased revenues. It also lets you save a lot of time by automating essential business tasks and promoting collaboration between different business functions. These time savings and productivity gains enable you to lower costs. Lastly, with a CRM system, you can create targeted marketing campaigns so that you can reach out to the right people at the right time and increase sales.

Figure 2

6 benefits of CRM



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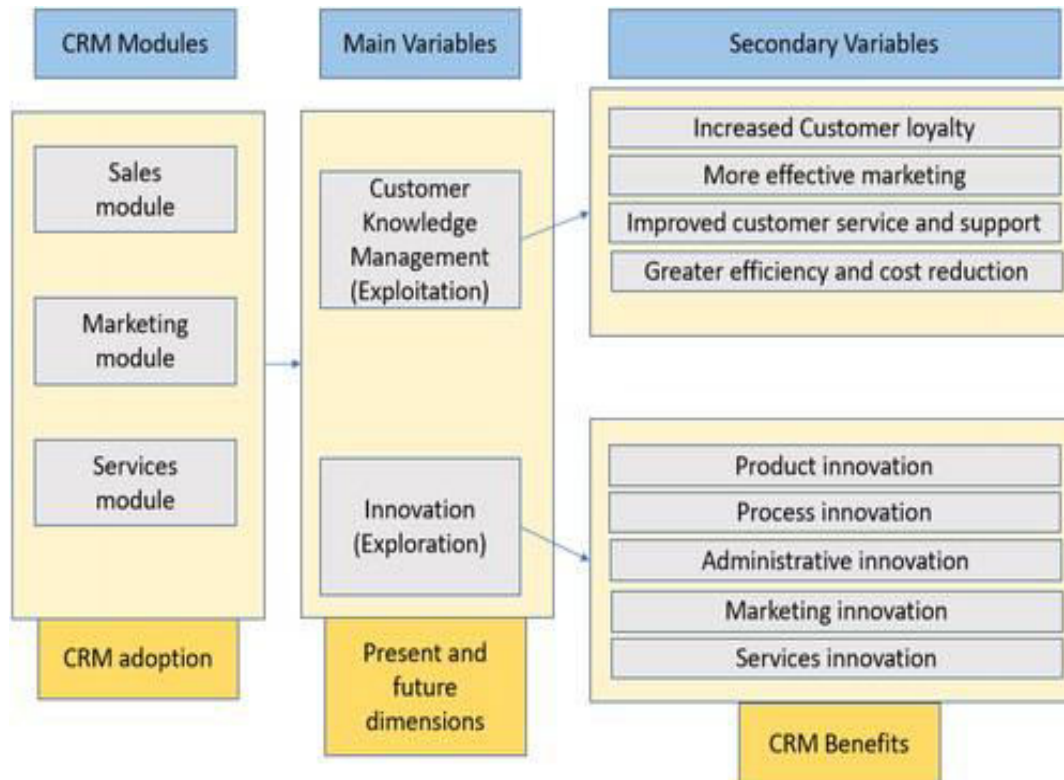
Results

After an exhaustive literature review, we may conclude that most existing studies have successfully described the benefits of CRM implementation on firm performance. Nevertheless, a consolidated approach to the aforementioned, exploitation-exploration duality of present and future CRM benefits remains undertheorized. Taking these bifold benefits as a starting point, the present paper intends to present a research method aimed at determining whether CRM is indeed a technological solution within the scope of sustainability and sustainable business models.

Benefit maps of CRM in the present and the future

To summarise our concluding remarks from the previous theoretical discussion, the following map (Figure3) represents the benefits expected of CRM implementation, both in terms of current exploitation (customer knowledge management), and prospective exploration (innovation):

Figure 3. CRM benefit map.



Conclusions

This study has conceived and devised a research model to empirically validate the effects of the three CRM components (sales, marketing, and services) on customer knowledge management and innovation, as well as on the companies' efforts toward digital transformation and sustainable business model innovation. For this purpose, we've taken as a starting point the CRM-benefit map illustrated above, comprising two different paths: a set of current-exploitation patterns for organisational performance, plus an explorative one for prospective innovation, leading the way to a sustainable business model for the future. Our research model has been built up in accordance with each potential combination between the three CRM modules and the three sustainability dimensions (economic, environmental, and social).

Companies, and particularly small- and medium-size ones (SME), are willing to enhance their data-processing potential through the adoption of efficiency- and success-oriented technologies and solutions. CRM is one of the modern information systems (IS) available in the means of providing business decision-makers (BDM) with valuable business data, especially concerning the three CRM-related areas: sales, marketing, and services. Thus, the goal of this paper's research model is to set up a structure and a series of plausible hypotheses applicable to a future empirical study for validating the effects of CRM-component influence on the three sustainability dimensions.

Upon confirmation of such hypotheses, the subsequent validation of this model may contribute to our understanding of the process whereby CRM-related benefits enable a positive, enhancing correlation

between each CRM component and each sustainability dimension. In this light, CRM must be considered a specific typology of Green IT for digital transformation and sustainable business model innovation.

Regarding the CRM-benefit map, and the first main variable, customer knowledge management, four other variables must be acknowledged as bearing a relevant impact on business results, the measurement of which must be addressed in a more specific research model. Considering the influence of such variables on business indicators, and the way CRM allows their fulfilment as desirable goals, our research model may empirically demonstrate how CRM helps firms to succeed through a consistent and well-structured customer knowledge management strategy. A first, positive outcome is the increase of customer loyalty, the effectiveness of which portrays a customer-centered, and therefore successful firm on the grounds of relational marketing principles. A second beneficial effect lies on the enhancement of marketing-strategy effectiveness, since CRM may provide internal marketing stakeholders with key information in order to plan out and opt for the most effective campaigns and marketing actions for customer targeting. An improved customer service and support is the third CRM-related benefit, directly connected to the services area, and a crucial factor to ensure a company's retaining of its best customers through an efficient, target-retention strategy based on an enhanced post-sales customer experience. Lastly, a fourth related advantage lies in the development of efficiency-boosting and cost-reductive capabilities, given the need for a surviving company to adapt its sales, marketing and service efforts to certain goals and specific customer features, hence modulating its offer on the grounds of a realistic perception of market demand, and achieving efficiency and success

In regard with the second path of our benefit map, revolving around the innovation variable, five core axes have been considered: product, process, administrative, marketing, and services. All five describe how companies drive their efforts toward an effective investment on the enhancement of both internal and external business processes. In this sense, an empirical validation of our proposed research model may allow researchers to quantify the impact of each axis on the development and implementation of pioneering and efficient sales, marketing, and service policies.

Despite the overall academic and business contributions of this study, some limitations must also be acknowledged. First, the research model laid out in these pages is a general, basic one, to be supplemented with certain assessment indicators, allowing model validation within specific sectors and business environments. Second, whereas this study understands CRM as the combination of three main components (sales, marketing, and services), it has not considered some second-level, potentially adjacent or accessory elements. Third, each CRM component has been dealt with in a standardised, and thus comparable depth, hence leaving aside the differences between each CRM provider and/or manufacturer.

Finally, in terms of future research lines, this model could be elaborated into a more specific methodology, fit for any given sector and/or enterprise standards, in order to validate and empirically assess the effect of each CRM strategy on a company's general business results.

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