International Journal of Economics, Commerce and Management

United Kingdom http://ijecm.co.uk/ Vol. IV, Issue 6, June 2016 ISSN 2348 0386

CUSTOMER RELATIONSHIP MANAGEMENT: PROPOSED FRAMEWORK FROM AN ICT ORGANIZATION PERSPECTIVE

Abdullah Nabeel Jalal



Faculty of Business Management and Professional Studies Management & Science University, Malaysia abdullah_nabeel@msu.edu.my

Asmahani Aswaddalai

Faculty of Business Management and Professional Studies Management & Science University, Malaysia asmahani@msu.edu.my

Sultun Rehman Sherief

Faculty of Business Management and Professional Studies Management & Science University, Malaysia sultan_rehman@msu.edu.my

Nur Aina Bt Abdul Jalil

Faculty of Business Management and Professional Studies Management & Science University, Malaysia nur_aina@msu.edu.my

Abstract

This paper is concerned with the vital role of customer relationship management (CRM) and its importance within ICT organizations. The primary focus is to establish an improvement on the customer satisfaction and retention throughout the proposed framework. The proposed framework was designed based on critical analysis of three models CRM Strategy and Implementation Model, CRM Conceptual Model, and Customer Relationship Service Quality (CRSQ) Framework. The framework contributes with depth insights on how the CRM processes



have been prioritized and carried out in the organization. Therefore, the study shows possibility of an organization provides better understanding so they could maintain a long-term effective and productive relationship with their customers Consequently, all the basic components of the proposed framework are prioritized accordingly which the organization will reap the rewards in customer satisfaction, loyalty and long run profitability. We developed a framework to examine in particular the effect of IT infrastructure flexibility on the CRM which an organization can sense, respond, and predict the customer's preferences and behaviors.

Keywords: Customer Relationship Management, CRM Framework, Customer Satisfaction

INTRODUCTION

An effective customer relationship management is the pivot heart of every organization, based on the research paper regarding the satisfaction of a customer, will share his/her positive experience with an average range of three people, looking on the other side, a dissatisfied customer will share his/her experience with average of eight people, organizations today have come to realize how important a good relationship is between them and their customers, in creating a long term interaction and service Szwarc, (2005). There is no organization in this model world that can survive without having a well strategic customer relationship management as a key to its business success. Buttle, F, (2009).CRM plays a vital role in the model industries, it provides the organization with the strategic way of dealing with its customers, suppliers and other business partners within the market place. Technological CRM can provide some excellent tool for improving a customer's experience and thus generating positive impact, Grant, G. and Anderson, G. (2002). University of Texas researcher driving of the new industries economies that related to the customer and employee are various types of communication and information technologies, these information and technology are ranging from the level of their information from the www to more interactive tools such as email and phones office also mobile as well, Timm, P. R., Jones, C. G. (2005).

LITERATURE REVIEW

Based on the critical analysis from the literature of the previous researchers and other academic disciplines perspectives, the researcher chosen to use three models as the main source of this research initiation, to come-up with a single model of customer relationship management customer satisfaction to assist in achieving better relationship with the customers, for the first model from Forrester, Desai, Kolsky, and Zeitbaml (2007). Which consist of strategy, process,

technology, and people. The emphasis of this model is how an organization can improve the process of CRM strategy to obtain customer loyalty and satisfaction. This can be justified by looking at its elements which can support the ICT organization towards its goals in achieving the customer satisfaction, observing at the second model from Customer Relationship Service Quality (CRSQ) framework. This model described the process of CRM strategy as a concept of getting customer's satisfaction and knowing the appropriate customer's needs to an organization, this model can be justified by the phases of its process such as the strategy and development, value creation, multi-channel information management, and lastly the performance assessment, theses phases all descript the process of building and retaining good relationship between the organization with its customers, by using this model the organization can be able to maintain and retained its customer towards it business goals. The last model is from Desai, Kolsky, and Zeitbaml (2007). This model tends to bring up the technology and knowledge based system that will help in facilitating the CRM process to get the customer attention. In conclusion to the three models, the main purpose is to integrate the selected models in such a way that an effective model will be built to help the ICT organization in achieving its goals towards its customers more effectively.

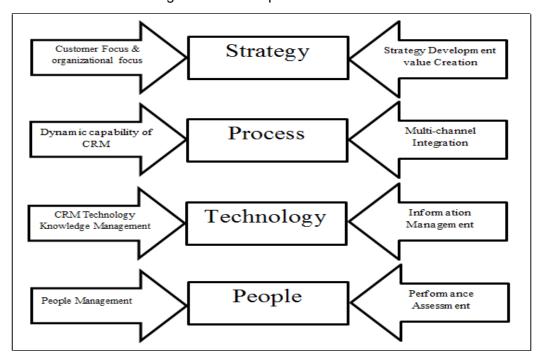
Customer Relationship Management

The words customer relationship management can be defined as a process that helps in managing the business process integration aspect within the organization. The CRM application provides the organization or customer-relationship; this is done by integrating the whole view of customer as single frame Buttle, F. (2009). Customer relationship management is a combination of many approaches for identifying, acquiring and customer by allowing the company managing, coordinating and maintaining customer interaction through many mediums. CRM helps organizations increase the value of each customer interaction with the organization, Khurana, A. (2010). CRM combines many information systems that is used to plan, schedule and control the pre sales and post sales of business activities across the organization. CRM combined with all aspects of handling with prospects and customers, such as the call center, sales force, marketing, technical support and filed service as well Buttle, F. (2009). The most important behavior CRM goal of CRM is to improve long-term growth and profitability via a better understanding of customer behavior. CRM aims to provide more important feedback and improved integrating to better gauge the return on investment in these areas Nguyen, T. H., Sherif, J. S, & Newby, M. (2007). Customer relationship management is a combined of much approaches for identifying, acquiring and customer by allowing the company managing, coordinating and maintaining customer interaction through many mediums. CRM helps

organizations increase the value of each customer interaction with the organization Khurana, A. (2010).

The Proposed Framework

Throughout the implementation of the CRM Framework, CRM plays an important part in identifying customers' expectations, ensuring customers' satisfaction and focusing on delivering the best value to the customers, Desai, Kolsky, and Zeitbaml (2007). Therefore, the CRM component is integrated based on critical analysis from the literature review. Customers will be judged performance of services based on the service that they received after the implementation of CRM. Thus, attention must be given to the elements of CRM by the ICT service organizations, in order to achieve their goals and objectives Timm, P. R., Jones, C. G. (2005). The CRM Framework will provide standard guidelines for ICT organization to achieve good customer relationships by implementing CRM concepts. The framework is developed by integrating all the important components. In developing the CRM framework, it is vital to incorporate methodologies or concepts to ensure a successful delivery of a CRM program that achieves business goals, Nurllham Binti Abdul Wahaband Azizah, (2005). From the organizational analysis and findings obtained, the researcher has identified suitable components that are significant in developing a framework for ICT services organizations. The following Figure is the new CRM framework.



• •

Figure 1: The Proposed Framework

There are four phases in the CRM framework. Phase 1 is strategy it's stated by making a customer focus and organizational focus and strategy value creation. As results the organization will know what they want to achieve. The process also helps them understand their business, priorities and competitive position so that they can pick the best place to begin. Phase 2 is process this phase included dynamic capability of CRM and multi-channel integration then the organization will identify the roles of CRM. After necessary work has been done internally, organizations may now take the new capability or campaign to their customers. Phase 3 is technology it starts by CRM technology knowledge management and information management. The last phase which is Phase 4 is people this phase includes two elements performance assessment and people management. After applying these four phases the organizations will deliver the benefit to these targeted customers.

Strategy

The first phase of this CRM framework is the Strategy which has been shown in the following Figure. It is started by making a customer focus, organizational focus and strategy development value creation strategy, as result ICT organization will realize what they will obtain, Forrester, (2008). Also the process will assist knowing their transaction, consequently will be enabled to choose an appropriate place to start. The following are the basic tools and elements that must be carried out.

Collect Data

- 1. Ensure that the CRM and customer satisfaction are aligned with company strategy.
- 2. Discover what customers think about your current performance.
- 3. What do they want more of.
- Determine customer profiling and scoring model.
- Optimize profile coverage.
- 6. Understand all the customer's project and functional silos that currently exist.

Assess Findings

- 1. Identifying business strategies, risks, and opportunities that will influence your CRM, and customer satisfaction.
- Identify gaps between the goal and today's reality.
- 3. Define high-level customer segment.



Create Proposal

- 1. Define a common vision about what CRM can be useful for your organization.
- 2. Ensure that key constitutes understand and support the strategy and the organizational focus.
- Create group of customers.

Process

To achieve success begin with customer relationship management strategies. It can be observed, when the management of bilateral relations between the customer and the organization particularly in promoting communication between customers, Desai, Kolsky, and Zeitbaml (2007). This can maintain long-term relationships with customers and it can enhance the value of the organization and also all the initiatives carry out by generate customer value on the services provided, Seeman, E. and O'Hara, M., (2006). After strategy was planned, the organization can go ahead the process of identifying the role of CRM, which provides description of processes and sub processes detailed CRM knowledge management and interaction, while distributing the responsibilities and roles of each of the activities to be carried out, Nurllham Binti Abdul Wahaband Azizah, (2005). The focus of this phase is the analysis, design and construction of all the infrastructure elements required to meet the project objectives, integration, and the capability of CRM as well. The followings explained the process manner of this phase.

Gather and Analyze Requirements

- 1. Identify business needs for information, process, technology and people to be carried out effectively within the process in order to achieve the organization's goals and objectives.
- 2. Define most predictive segmentation strategy.
- 3. Analyze and compare to existing infrastructure to come up with weakness and strengths as well.

Design Component

- 1. Develop a detailed design of strategy that chosen to be implemented in order to deliver the customer requirements.
- 2. Identify the most needed components of the effective strategy.

Construct Solution

1. Code and test information and technology solutions.



- 2. Develop process and people change solutions.
- 3. Information integration consistency.
- 4. Process integration continuity.
- 5. Technology integration compatibility.
- 6. People integration congruity.

Technology

As the enabler for CRM, technology is divided into three segments which are operational, analytical and collaborative. The Operational CRM is the customer-facing applications of CRM such as sales force, Seeman, E. and O'Hara, M., (2006). As customer satisfaction is an important achievement in businesses, an effective CRM system acts as a way for the organization to develop a customer focus plan that has impact, which allows the organization to hear the customer's voice. If ICT organization can learn enough about individual customers, then the customer should be more satisfied, trusting and willing to talk positively to others about the organization Christopher Martin (2006). Customer touch points refer to all the different communications, means that a customer might interact with such as email, phone call and fax. The followings discuses in details this phase.

Information Management

- 1. Manage the organizational interaction with its customer.
- 2. Select customers profile values most likely to deliver the best response to the project.
- 3. Optimize expected response.
- 4. Customer touch points.
- 5. Technology solutions ensure tasks are completed within project schedule.
- 6. Organization's business strategies must be geared towards a customer-focused organization.

CRM Technology Management

- 1. Install new capability and train customer to use it and release marketing communication.
- Minimize cost of offer delivery.
- Technology integration compatibility.
- 4. Customer-Facing applications.
- 5. Staff-Facing applications.



People

Power supply of CRM is people that play an important role in achieving CRM program. Being activated of entire system depends on suitable voltage which will be set by people as the energy source Kincaid, J. W. (2003). In this phase the first element is called performance assessment and the second one is people management. Customer or group of customers will be recognized to direct the results for them. The organization should identify the groups or customer segments who are responding in the same manner. In terms of making a good communication with customers, it has become essential for organizations to segments the customers which enable to create relationship even with thousands of customers, so that it's called performance assessment. While the second element focused on People management is essentially making sure that all people within an organization are able to coordinate themselves effectively and work to a high standard. People management is the higher part of an organization that ensures the work is being done correctly and to a consistently high standard. The points below show that in details.

Performance Assessment

- 1. People integration congruity.
- 2. For process or people change solutions, include emphasis on reliability.
- 3. People change solutions development must include encouragement for staff to make themselves and their work areas presentable.

People Management

- 1. Design people change solutions that emphasize on staff's knowledge and skills in order to provide assurance to customers.
- 2. Analyze requirements and ways to improve responsiveness using the technology or people change solutions.
- 3. Identify the most suitable ways or methods to respond to different customer segment.
- 4. Select the right target segment to sustain customer's trust and confidence.

CONCLUSIONS

Satisfying a customer has an increasing role in every organization and every ICT organization tries to improve its service quality as well. Good strategic service Support can give this opportunity to ICT organization in increasing its interaction and customer satisfaction and give better communication Nurllham Binti Abdul Wahaband Azizah, (2005). This paper discussed the integrated CRM strategy framework for ICT organization, this framework presents a clear guard for achieving customer satisfaction, the framework also provides with the guard line that organization can follow to achieve good relationship and satisfy their customers as well. Therefore, the framework could lead in achieving better customer relationships and effective communication channels. Therefore, for future studies the researcher hopes for depth - insight on the factors that may improve the customer trust, and reliability on the organization's services.

REFERENCES

Brink, A. & Berndt, A. 2008. Relationship Marketing and Customer Relationship Management. Lansdowne: Juta& Company.

Brown et al. (1991). Customer relationship management: A strategic imperative in the world of ebusiness. J. Wiley & Sons Canada.

Buttle, F. (2009). Customer relationship management: Concepts and technologies. Burlington, MA: Elsevier Butter worth Heinemann.

Christopher Martin, "From brand values to customer value", Journal of Marketing

Desai, Kolsky, and Zeitbaml 2007. "The conceptual model for CRM Implementation" reviewed on customer satisfaction.

Forrester, 2008. "The conceptual framework for CRM Implementation" A review paper for customer relationship.

Grant, G. and Anderson, G. (2002). "Customer relationship management: a vision for higher education", in Katz, R. (Ed.), Web Portals and Higher Education: Technologies to Make IT.

Greenberg, P. (2001), CRM at the Speed of Light: Capturing and Keeping Customers in Internet Real Time, Osborne/McGraw-Hill, Berckley, California.

Khurana, A. (2010). Information Technology for Retailing. New Delhi: Tata McGraw Hill

Kincaid, J. W. (2003). Customer relationship management: getting it right!. Upper Saddle River, NJ: Prentice-Hall PTR.

Nguyen, T. H., Sherif, J. S, & Newby, M. (2007). Strategies for successful CRM implementation. Information Management & Computer Security, 15(2), 102 – 115. DOI: 10. 1108/09685220710748001.

Nurllham Binti Abdul Wahaband Azizah, 2005. Implementing customer relationship management and service quality in supporting ict services for cict, utm.

Seeman, E. and O'Hara, M., (2006). "Customer relationship management in higher education: Using information systems to improve the student-school relationship", Campus-Wide Information Systems: 23(1) pp. 24-34.

Szwarc, (2005). Researching Customer Satisfaction & Loyalty: How To Find Out What People Really Think. London, United Kingdom: Kogan Page Limited.

Timm, P. R., Jones, C. G. (2005). Technology and Customer Service: Profitable Relationship Building, Pearson Education Inc.

Timm, P. R., Jones, C. G. 2005. Technology and Customer Service: Profitable Relationship Building, Pearson Education Inc.

