

CRM systems and their applying in companies in Republic of Macedonia

Natasa Milevska¹, Snezana Savoska²

^{1,2} Faculty of administration and Information systems Management, University „St.Kliment Ohridski“ – Bitola,
Bitolska bb,
7000 Bitola, R.of Macedonia,
nmilevska@hotmail.com, savoskasnezana@gmail.com

Abstract. The development of information technology contributes companies to implement strategic information systems in their work. One of the primary objectives of the company is getting quick and accurate information for decision making. Each company needs to prepare data into information for decision making. To understand the customer behavior for businesses is the primary objective for market appeal and providing better service to its customer. Advances of technology contribute to development of a large number of systems and software that would be useful and contribute in their work. Precisely a kind of such systems is CRM systems (Customer Relationship Management). These systems have a role to understand the customer behavior which as a result would give improvement of the service to their customers as well as increase their satisfaction. The purpose of this paper is to define the benefits and importance that derives with using CRM systems by companies, as well as receiving information about customers, which represent the basis in making marketing decisions.

Keywords: CRM systems, Decision making, Customer behavior.

1 Introduction

The rapid development of technology contributes companies to require the application of information systems in their work due to their speed, cost, accuracy and reliability that provide. The role which has information systems in operation of companies is of great importance and contribution to the company.

The big changes that are happening daily imposes the need for fast and efficient operation of the company to the changes that occur in order to stay competitive in the market in which the company act (work) with his offer or service.

Retrieving information and decision making is crucial for companies, which determines the direction of the company movement and enables satisfying customer's needs and desires. Advances in the technology have a profound impact on the behavior of buyers in the process of buying and offering new ways for companies in the process of communication with customers and collecting relevant data for them.

Finding out more information about customers is certainly an advantage for any company, because that data has a great impact when decision making in the company is at stake. The existence of Customer relationship management enables companies to find out the buyers' behavior in the purchasing process, their needs and improving customer service. With the help of these systems provides a better way of communication between customers and the company, which derives as a result of the realization of the needs, requirements and expectations of customers.

The paper is structured in three parts. The first part take into consideration the customer relationship management (CRM) and marketing decision support systems and the second ones is dedicated to benefits arising from the use of CRM systems. The third part describes the application of CRM systems in companies in R. of Macedonia.

2 Customer Relationship Management (CRM) and marketing decision support systems

The understanding of consumer behavior is of great importance for companies in the decision making process. Marketing decision support systems allow companies to collect data coordinately, consisting of tools and techniques with supporting software and hardware, with which the company collects necessary information. They interpret information and are aiming to make marketing decisions which are crucial for the business. Indeed these systems are part of the customer's relationship management, which include marketing activities, sales as well as the communication and customer relationship. When is at stake making marketing decisions of great importance are Customer relationship management systems.

CRM is a system where the buyer puts at the center of the business process, but also represents a process of collecting and analyzing information about the company's interactions with customers, as well as the technology that enables companies to maximize profit in addition to increasing the value with complete understanding and fulfilling the needs of customers.

CRM is a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the costumers [1].

CRM systems cover all aspects relating the company's interaction with their own customers, whether it comes to sales or service. The purpose with the CRM systems is to build long-term relationship and to be given value to the relationships that take place between the company and customers [2]. These systems make it possible to identify what customers want for automatic alignment of all processes in order to fulfill their demands. CRM systems offer the opportunity to store all information coming from clients in a central database, which provides access to it.

About CRM can to say that actually represent the company's business strategy and set of software tools and technologies that enable:

- Understanding the customer's behavior;

- Retention of existing customers, guided by experience;
- Attracting the new customers;
- Cost reduction;
- Moving to the correct direction;
- Detecting new opportunities;
- Revenue growth;

CRM integrates best practices and apply advanced technologies in order to help the companies in exercise of their targets. CRM focuses on automating and improve the institutional processes that are related with the customer relationship management in the marketing field, management communication as well as services and support [3].

CRM is an integration of sales, marketing, service and support strategies, processes, people and technology to maximize customer benefits, value, relationships and retaining customer loyalty. This data is core for the preparation of information for marketing decision making.

Term customer relationship management is used when describes business relationship management with customers, while CRM systems are used in the same way to manage business contacts, customers, realizing agreements as well as selling. The use of CRM systems enables an efficient way of working activities in the company that manages contacts, customer data, their needs and the all information needed for market appeal. It allows its users an overview of the organizational structure of the company and all data that are related with the company.

In the CRM systems a there are a number of ways for customer communication which can be implemented in order to find out information which will be helpful in the insight customer relationship. Companies are those which should be attractive to buyers or to attract buyers. Satisfying the customer's needs is the primary task of CRM systems, but also a core winning card for a successful company. The possibility of getting and keeping information offers an opportunity about making analyzes that are greatly helpful in making decisions as well as adapting to the needs of business users.

3 Benefits offered by the CRM systems

The key objective with the use of CRM systems is directing the business processes and increasing sales, which lead to greater customer satisfaction, increased loyalty to them and maximizing profits [4]. CRM allows companies to acquire competitive advantage and entering new markets. Some of the benefits provided by CRM systems are [5]:

- Data exchange - data stored in a central database, thus is seamless potential of access next to her and available to all users of the business or company;
- The opportunity to improve services to their own customers - possibility to store detailed information about each customers, allows to keeping such necessary information to improve the speed and quality of service to customers;

- Elevated buyer's satisfaction - possibility that CRM systems offering customers to feel like they are part of the sales team, increases the customer satisfaction;
- Improvement of marketing efforts - data both contained within the CRM system can be analyzed, as well as all the data that are related with the buyers can be studied as it is established which a group of buyers is best for each individual marketing campaign, also data that are the disposal with CRM systems for previous customer orders can be used to predict which type of product will be the next target the customers;
- Increased profits - a combination of enlarged and better services to its customers, effective marketing, customer satisfaction leads to an increase in sales and achieving satisfactory profit;

The benefits of the company which allow applying CRM systems are great and significant when high risk and high reward decisions are at stake.

4 Application of CRM systems in companies in Republic of Macedonia

Customer relationship management in companies in the Republic of Macedonia is relatively underrepresented in the process, in carrying out companies' work activities. Application of CRM systems by companies would bring a number of benefits. Finding out the needs, demands as well as behavior of buyers is of vital importance for the existence and survival of a business in the market. CRM systems are exactly those which would help the company about learning everything related to buyers as a kind of market research, their advantages are obligated at the speed in operation, economically and most importantly, reliability.

In order to find out whether and how customer relationship managements are applied in the companies' operations, there was conducted research in Pelagonia - Prespa region in R. of Macedonia.

The questions that were asked to the companies was to find out whether and how big is the application of CRM systems in their companies were, related with CRM system usage by the companies in the area in addition to the data collected by these systems.

According to the results which were obtained from performed research in the region, we can say that 5.3% of the results show that companies use CRM systems in their operations, 34.2% of the results display that companies sometimes use CRM systems in their operations, 60.5% of the results show that companies do not apply CRM systems in their operations. Large number of the companies even have not heard of this software and could not answer the questions, asset declarations returned empty, explaining that no one in the company has heard of CRM systems.

Given the results from performed research on the application of CRM systems in companies in the region in R. of Macedonia, is evident that the application of CRM systems is a very small. Macedonian companies do not apply these systems in their operations. The insufficient applying of CRM systems by companies perhaps due to:

- Lack of companies' management knowledge by the existence of CRM systems and their role;
- Undersupplied knowledge of the companies' management with advantages and benefits offered by these systems using in their work;
- Lack of an appropriate IT staff that can affect their implementation and above all, the impact of management for familiarization with the need of their use;
- The impact of the company's size in which these systems are used;

Our research showed that only 5.3% of the surveyed companies use CRM systems in their operations, indicating that it is a small representation of CRM systems in operation by the companies, which requires taking of appropriate actions for more informing on companies for the existence of CRM systems. Fig.1 show graphically review of results obtained from conducted research for the application of CRM systems in the mentioned region in R. of Macedonia.

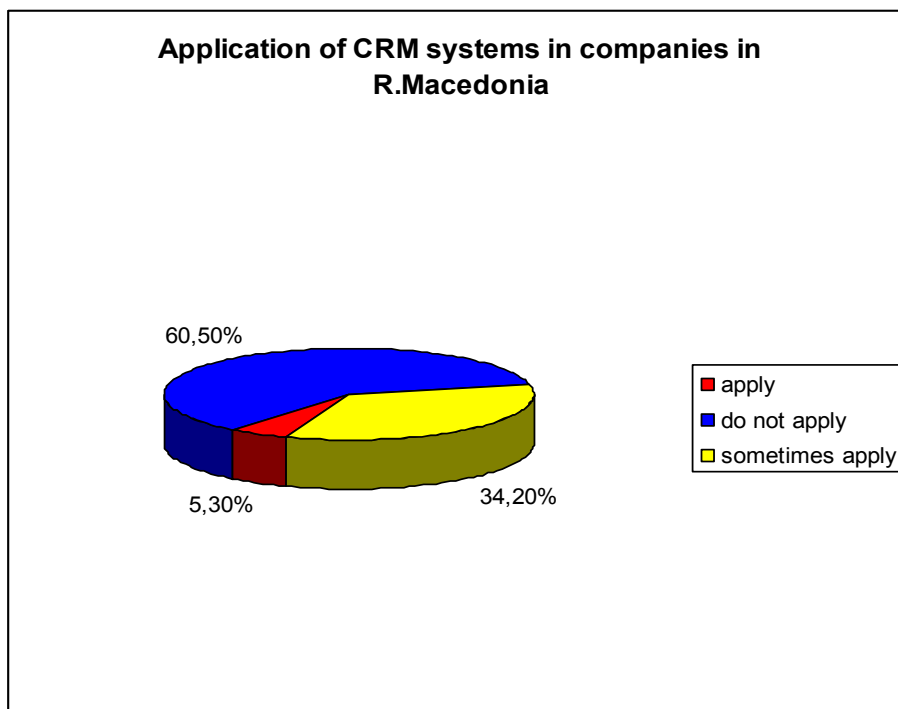


Fig. 1 Application of CRM systems

Also, needed are prerequisites to implement such a system in the company, some of the conditions are:

- the existence of organizational a culture of targeting towards customers and the environment i.e. culture focused on the purposes,
- good to know which is the objective that would be achieved by using these systems,
- having cadre in the company that will manage CRM systems,
- also of great importance is the education of managers for CRM systems as well as their role in survival in the market.

It would be realized with the presentation of CRM system, its functioning, efficiency ease of use, assistance that company would have to obtain the necessary information for buyers as well the pleasure which arises by the buyers, as a result of improved service that enables company.

8 Conclusion

According to what was previously said, we come to the conclusion that customer relationship management are systems that would have provided the buyers' data, so that would improve service towards them, on top of holding former customers and their loyalty.

Therefore it is necessary to familiarize company's managers with advantages and benefits arising from their use and it can be done with holding seminars and education of managers for the existence of the system, presenting how the system works and the way that are facilitates the operation in companies with the help of these systems.

When it comes to CRM systems according to the research we can say that they are generally not applied by companies in Macedonia. Company managers need a better introduction of CRM systems and the benefits that would be gained from implementation but also the data which could come out with their use and when necessary, obtaining information which have a major role in decision making.

Therefore our opinion is that it have to make attempts to organize seminars for managers from the faculties to introduce in usage of these systems. Also, it has to introduce the courses with items that will familiarize students with opportunities to these and other systems that can bring competitive advantage for the company.

References

1. Jagdish N. Sheth, Atul Parvatiyal, G. Shainesh, Customer Relationship Management Emerging Concepts, Tools and Applications, Tata McGraw-Hill Publishing Company Limited, 2001
2. <http://www.emiratesid.gov.ae/userfiles/Customer%20Relationship%20Management-Proposed%20Framework%20from%20a%20Government%20Perspective.pdf>
3. <http://net.educause.edu/ir/library/pdf/pub5006f.pdf>
4. <http://www.cas.de/en/crm-becomes-xrm/benefits-of-crm.html>

5. <http://crmbenefits.info/>
6. Turban, E & all, Decision Support and Business Intelligence Systems, eight edition, Prentice Hall, 2007
7. <http://www.anderson.ucla.edu/faculty/anand.bodapati/Choice-Models-and-CRM.pdf>