CRM Systems in the Area of Eastern Macedonia and Thrace

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ABSTRACT

Nowadays, companies have as key element for their marketing techniques the customer relationship management (CRM) systems. The purpose of this study is to examine the factors that affect the implementation of CRM in a business. A survey was conducted with the completion of structured questionnaires by collecting data from business in the area of Eastern Macedonia and Thrace (EMT). The findings showed that companies of EMT implement satisfactorily strategic methods relating to CRM, putting their customers at the heart of their business. Moreover, they invest heavily in the management of their customers, wanting to gain a long-term relationship with them and simultaneously to integrate customer-oriented approach to the culture and the structure of the company. The external and internal factors that act strongly in maintaining and developing the customer relationship with the business, were identified. The number of employees and the year of foundation are critical factors in the implementation of CRM.

KEYWORDS

Companies, Correlation, CRM, EMT

1. INTRODUCTION

In recent years, companies are paying more and more attention to the satisfaction and retention of their clients as a result of the intensive competition, but also to maximize their profit and all this on the basis of new information technologies and communications (Coltman et al., 2011). This new policy of businesses is the result of different marketing techniques although they have in common a basic feature; the engagement and relationship with customers (Sigala, 2004). This attempt is implemented with the use of a Customer Relationship System (CRM) system (Kevork and Vrechopoulos, 2009).

Some of the definitions for customer relationship management from the view of different theorists are as follows: (1) CRM is a part of the organization strategy for identifying and keeping customers satisfied and converting them to a repeat customer. In addition, in line with the customer relationship management, it helps the company in order to maximize the value of every customer (Turban et al., 2003). (2) CRM is a set of methodologies, processes, software and systems that helps institutions and companies in creation effective and organized management of customer relationship (Burnett, 2001).
(3) Customer relationship management as a process, consists of monitoring clients (such as appropriate data collection of them), management, and evaluation data and finally, creating real advantage from information extracted in dealing with them (Hampe and Swatman, 2002). (4) Customer relationship management is a comprehensive business and marketing strategy that integrates process technology and all business activities around the customer (Feinberg and Romano, 2003).

However, these approaches were incapable of producing profitable growth and in some cases were even damaging to existing customer relationships (Reinartz et al., 2004; Rigby et al, 2002). An effective CRM approach is personal, shows an awareness of customers’ preferences and ensures that these preferences are mirrored in how employees contact their customers, each and every time (Richards and Eli, 2005). The best way to improve CRM adoption is finding more details about their customers/clients using best marketing research (Reinartz and Chugh, 2002). Marketing research helps to implement the CRM technology amongst different consumer bases (Ngai, 2005).

According to Richards and Eli (2005), CRM is an enterprise-wide business strategy to cut down on cost and boost profitability by solidifying customer loyalty. Moreover, CRM gets together information from all data sources within a business (and if possible, from outside the business) to provide one and holistic view of each customer in real time. This allows customer-facing-employees in such areas as customer support, sales, and marketing to formulate fast informed decisions from cross-selling and up selling prospects to target marketing strategies and competitive positioning tactics. Effective customer relationship management technology needs much more than simply tracking buying behaviour. In many cases, CRM implementations have faced serious difficulties or even complete malfunctions for taking a narrow approach (Davids, 1999; Raman and Pashupati, 2004).

Verhoef (2003) developed of a conceptual framework for CRM that helps broaden the understanding of CRM and its role in enhancing customer value and, as a result, shareholder value is necessary. The author explores definitional aspects of CRM and identifies three alternative perspectives of CRM. The author also emphasizes the need for a cross-functional, process-oriented approach that positions CRM at a strategic level. He identifies five key cross-functional CRM processes: a strategy development process, a value creation process, a multichannel integration process, an information management process, and a performance assessment process. The synthesis of the diverse concepts within the literature on CRM and relationship marketing into a single, process-based framework should provide deeper insight into achieving success with CRM strategy and implementation.

Kumar et al. (2011) explain why some CRM programs are more successful than others and what capabilities are required to support success. Despite significant interest from both academicians and practitioners, CRM remains a huge investment with little measured payback. Intuition suggests that increased management of customer relationships should improve business performance, but this intuition has only inconsistent empirical or real-world support. They identify a core group of expected CRM benefits and examine their ability to increase a firm’s value equity, brand equity and relationship equity which are components of customer equity.

Payne and Frow (2005) propose a strategic framework for CRM. The results of the generalized cross-regional diffusion model indicate that there is untapped market potential in the CRM market, with varying adoption patterns across regions. They also propose a conceptual framework to understand the factors that affect cross-regional learning in CRM adoption. In addition, the study provides insights into implementation and calibration of a CRM framework and directions for further research.

Adopting marketing with emphasis on creating and maintaining customer, customer relationship management and management of one-to-one marketing, marketing represents species of common features between them, as the relations developed by the company with its customers (Keith et al., 2005).

The management of customer relations is a marketing strategy that contributes to customer satisfaction by providing value to the customer and the business (Wilson et al., 2002). An additional strategic operational policy nature which admittedly nowadays gives the company a competitive advantage (Coltman et al., 2011).
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