Chapter 5.10

The Management of CRM Information Systems in Small B2B Service Organisations: A Comparison between French and British Firms

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ABSTRACT

The new communication and information systems have significantly increased the possibilities offered to professional companies for developing and maintaining long-term customer relationships. However, technology alone cannot ensure the success of CRM strategies. The implementation of a customer-centred culture, shared by the entire professional organisation, requires the combination of human resources, expertise and technology in order to identify and satisfy the needs of the existing customers. Considering a sample of French and UK professional SMEs, this chapter investigates the type of CRM strategy implemented by these firms, as well as the usage intensity of various communication channels, both by companies and clients. The satisfaction of client organisations is analysed from a multi-level perspective and a diagnostic procedure is proposed in order to identify the gap between the perceptions service provider firms and clients on various dimensions of the CRM process.

INTRODUCTION

The development of new Information Technology and Telecommunication (ITT) systems, such as the Internet or mobile phones, has opened new possibilities for improving the relationship between service providers and clients (Brechbühl, 2004; Smith, 2000).

Many studies (Iyer, 2003; Kalakota & Robinson, 2001; Leger, 2000; Zeng, Wen & Yen, 2003) have emphasised that, in a digital economy, the quality of customer-company interactions represents a complex combination between the feasibility and usability of the ITT systems used as interaction channels, and the efficiency of the CRM procedures implemented by the firm.
On the other hand, the interaction between clients and service providers in the Business-to-Business (B2B) market, often takes place through a variety of channels, both digital and non-digital. In these conditions, customer satisfaction will be determined by the capacity of the firm to manage effectively multi-channel customer interactions, integrating CRM procedures with channel management (Johnson, 2002). Significant research has been conducted on consumer’s use of various communication channels and the relative satisfaction level of customers. Iyer (2003) presented a comparison between the level of satisfaction associated with the use of various communication channels for accessing customer services. 62% of respondents have associated a high level of satisfaction with online chat, followed by 49% of respondents for in-person communication and 46% for telephone interaction. At the other end of the scale, postal mail and fax communication were associated with a high level of satisfaction only by 24% of respondents.

This chapter presents a study of B2B service interactions, which attempts to identify the main strategies related with the management of CRM information systems, and to measure the preference of both service providers and client firms for various channels of interaction.

The digital communication channels are considered together with the traditional channels in the context of CRM applications implemented by service organisations (web design and consulting firms). The company-customer interaction is treated as a multi-dimensional process, which involves a systemic side – the ITT system implemented by the firm, and a procedural aspect – the CRM procedures applied by the service provider in various stages of its interaction with the customer. Considering this approach, the study has the following research objectives:

1. To study the main strategies for managing the CRM information systems used by small B2B service organisations.
2. To identify the communication channels used by firms and their integration with customer management procedures.
3. To analyse the level of satisfaction determined by the interaction between service organisations and client firms in relation with the use of ITT and ITT-based customer management procedures.

For a better understanding of the overall context of B2B interactions, both digital and non-digital communication channels have been analysed and evaluated, in relation with the CRM procedures implemented by service provider organisations. After a brief discussion of the previous studies published in this area, the chapter presents the research methods applied to collect primary and secondary data. The research data are then analysed and presented in direct connection with the formulated research objectives. The chapter concludes with a synthetic discussion of the main findings, which are used to propose a diagnostic procedure for measuring the level of satisfaction of company-customer interactions, analytically developed on the ITT and CRM dimensions.

**BACKGROUND:
INFORMATION SYSTEMS AND APPLICATIONS FOR CRM**

The development of new CRM technology applications increased the capacity of firms to manage more efficiently their customers. These applications, properly run on the available ITT platforms, can link the customer interface with front office operations – sales, marketing, customer service, etc. and with the back office support - logistics, operations, human resources, etc. (Chen & Popovich, 2003). However, the structure and the functionality of the CRM information system will be different from one company to another, depending on its specific activity profile and strategic objectives.
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