



ORGANIZATIONAL PERFORMANCE IMPROVEMENT BY IMPLEMENTING THE LATEST CRM SOLUTIONS

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Abstract *The last innovations in Information and Communication Technologies (ICT) field have imposed the automation of information processes within organizations to increase their financial performance, becoming main foundation for business strategies and decisions. The paper highlights the modality how companies performance can be stimulated by adopting CRM solutions, focused on the marketing processes automation according to the new information trends on the global market.*

Key words:
CRM, solutions, marketing process, financial performance

JEL Codes:
M31, M37

1. Introduction

Current competitive challenges induced by globalization and advances in information technology have forced companies to focus on managing customer relationships, and in particular customer satisfaction, in order to efficiently maximize revenues¹. There are many definitions for CRM, but in our vision CRM represents a series of strategies and processes that create new and mutual value for individual customers, builds on customer service and satisfaction concepts, improves customer retention, loyalty, and profitability for organization on a long term.

The main objectives of enterprises to implement a CRM solution in their business strategies are simplifying the marketing and sales processes to provide better customer service, to make call centers more efficient to discover new customers and increase customer revenue, and to cross sell products more flexible by providing to the customers the opportunity to purchase additional items offered by the seller. CRM is not just a software product that allows for the recording of customer interaction, accurate histories to be kept, and knowledge to be shared across departments within an organization, but is a business philosophy that touches upon many independent parts of the enterprise.

In this paper, we will present the types of CRM and the benefits that they are bringing to any organization.

2. Types of CRM

Areas of CRM activity are sales force automation, customer service and support, help desk, field service and marketing automation. Based on CRM areas classification² we identified 3 categories of CRM: operational, analytical, and collaborative CRM systems.

2.1. Operational CRM system

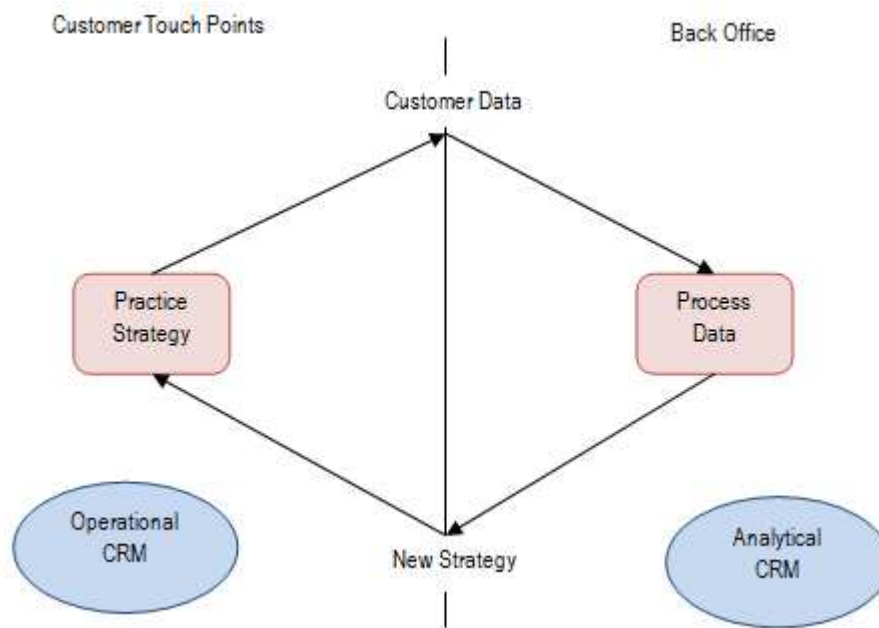
Operational CRM provides support for various business processes, which can include sales, marketing and service³. Any interaction with customers is stored in client contact histories, which the staff can retrieve as necessary. Customer service and support is that part of company which interacts with a client for their immediate benefit, including components such as the contact center. It contains a variety of purposes: to provide information to support customer call center activity, to build customer satisfaction and loyalty, to resolve customer issues after the sales responsively⁴. One of the main components of operational CRM system is Marketing Automation (MA).

² Anderson, K., Kerr, C. (2002). Customer Relationship Management, McGraw Hill Professional, p.64

³ Stanculea, L. (2013). Sisteme informatice de tip CRM, Tribuna Economică Vol.19, nr. 23, iunie, p.41

⁴ Dyche, J. (2002). The CRM Handbook - A Business Guide to Customer Relationship Management, Pearson Education, Canada, p. 107

¹<http://www.emeraldinsight.com/journals.htm?articleid=843550&show=abstract>



Source: Siddiqi, J., Akhgar, B., Wise, T. (2010). Framework for Implementation of CRM Strategy in Retail Sector, *The Journal of Database Marketing*, vol.10, p.137

Figure 1. The relationship between operational and analytical CRM systems

MA's targets are to manage marketing campaigns, to ensure high efficiency by creating integrated, highly-target campaigns and tracking results across all channels⁵.

Contact and call centers, data aggregation systems and web sites are a few examples of operational CRM. The results of an operational CRM strategy are far reaching and can either be implemented in basic software or in a more complex software installation depending on the company's requirements.

2.2. Analytical CRM system

This type of CRM describes the component of CRM that is concerned with exploiting customer data using data mining and interpretation of data collected about customers to both customer and company value. Organizations that use CRM are usually trying to garner as much customer data and transaction history as possible to make effective business and customer-centered marketing decisions. The figure 1 illustrates the relationship between operational and analytical CRM systems.

Analytical CRM system offers support for database management data quality monitoring, data cleaning, statistical analyses, construction of data marts for

analytical and reporting purposes, deployment of a marketing campaign planning and reporting system. The benefits by adopting such as solution are⁶:

- increasing effectiveness of marketing campaign
- reducing campaign costs
- increasing customer satisfaction and loyalty
- better understanding of customer behavior

2.3. Collaborative CRM system

Collaborative CRM system goal is to use information collected by all company's departments to improve the quality of the services provided by the enterprise. Applications of Collaborative CRM are online services for enhancement of convenience and cost reduction, profiling customer information during customer interaction.

Collaborative CRM advantages are as follows⁷:

- Identifies customer service cost reduction opportunities
- Integrates data to create an enhanced customer service overview
- Facilitates customer-channel interaction

⁵ Goldenberg, B.J. (2003). CRM Automation, Published by Prentice Hall, Australia, p. 56

⁶ Dyche, J. (2002). The CRM Handbook - A Business Guide to Customer Relationship Management, Pearson Education, Canada, p. 109

⁷ Siddiqi, J., Akhgar, B., Wise, T.: Framework for Implementation of CRM Strategy in Retail Sector, *The Journal of Database Marketing* vol.10, 2010, p. 138

The relationship between analytical CRM and collaborative CRM is that collaborative CRM use the output of analytical CRM to enhance the participatory strength of customers.

3. Conclusions

CRM is more than technology, it allows business to build relationships with customers by increasing the client satisfaction, to develop better communication channels, to access to customer account history, order information, and customer information at all touch points, to identify new selling opportunities and to present these to the clients, and to enhance customer loyalty.

By integrating CRM solutions, businesses can gain faster insights, enable real-time decision-making and deliver customized experiences that increase client loyalty and attract new customers.

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