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ROLE OF CRM IN BUSINESS SECTOR

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Abstract: Every business organization needs customers for sustainable and to maintain customer satisfaction with technology rich and information based society. CRM plays a very big role to treat all of this information. It is a customer-focused business strategy designed to optimize revenue, profitability, and customer loyalty. By implementing a CRM strategy, an organization can improve the business processes and technology solutions around selling, marketing and servicing functions across all customer touch-points through Web, e-mail, phone, fax, and in-person. To realize the benefits of CRM, it is important to have an integrated solution across all customer information systems and tying together the front and back offices for a complete view of customers in order to provide them a better and comfortable service. This paper highlights the impact of CRM in business sector in different segment.

Key Words: CRM, Applications, Features, Challenges, Impact and Business sector

I. Introduction

Customer relationship management (CRM) is a widely implemented model for managing a company's interactions with customers, clients and sales prospects. It involves using technology to organize, automate, and synchronize business processes principally sales activities, marketing, customer service and technical support. Customer relationship management describes a company-wide business strategy including customer-interface departments as well as other departments. In general, CRM is a more efficient automated method used to connect and improve all areas of business to focus on creating strong customer relationships. CRM helps to create time efficiency and savings on both sides of the business spectrum. Through correct implementation and use of CRM solutions companies gain a better understanding of their strongest and weakest areas and how they can improve upon these. Therefore, customers get better products and services from their choices. This paper an attempt has been made to understand the impact of CRM in business sector in different segment.

II. Statement of the problem

Today, many businesses manage different aspects of customer relationships with multiple information systems. Growing businesses face a range of challenges. Recognizing and overcoming the common pitfalls in business is to continue to grow and thrive. Crucially, you need to ensure creating sustainable growth for the future. Every business needs to be alert to create new opportunities. Everyday problem-solving competency among today's business leaders is also challenge to their ability. The major challenge of every business is to admit new customers, retain existing customers and buy more in greater quantity. In order to claim that business need to establish comfortable system to move forward and flourish like anything for its stability.

III. Objectives of the study

The researcher has established some of important objectives in this study area. The following are listed here.

To study the important features of CRM in business

To aware the applications of CRM in business

To know the challenges of CRM while implementation

To understand the impact of CRM in various segments of business

IV. Significance of the study

Customer Relationship Management (CRM) is the strongest and the most efficient approach in maintaining and creating relationships with customers. The strongest aspect of CRM is very cost-effective. The advantage of decently implemented CRM system is very less need of paper and manual work which requires lesser staff to manage and lesser resources to deal with. The technologies used in implementing a CRM system are also very cheap and smooth as compared to the traditional way of business. Efficiently dealing with all the customers and providing them what they actually need increases and finally customer satisfaction. This increases the confidence level and chance of getting more business which ultimately enhances turnover and profit.

V. Need for the study

In today's commercial world practice of dealing with existing customers and thriving business by getting more customers into loop is predominant and is mere a dilemma. Installing a CRM system can definitely improve the situation and help in challenging the new ways of marketing and business in an efficient manner. Hence in the era of business every organization should be recommended to have a full-fledged CRM system to cope up with all the business needs. CRM is a strategy which is customized by an organization to manage and administer its customers and vendors in an efficient manner for achieving excellence in business.

VI. Methodology

This research study is based on secondary data only. The researcher has been collected the relevant data for this study from some important sources like books, thesis, dissertation, journal, magazine, reports, bulletin and various websites.

VII. Applications of CRM in business

CRM is a strategic concept where processes are complex. Now-a-days, it becomes important for business. It provides lot of benefits for business people. The following are the applications of CRM in business.

A. E-commerce web store fronts website

These are converging into a customer-centric solution, which allows organizations to interact with, sell to, and service customers through all channels. Consumers are major users of this business functions.

B. Channel Management/Partner Relationship Management

CRM extends its benefit to the needs of extended selling channels such as distributors and value-added resellers. PRM applications enable companies to distribute leads and manage promotions outside the enterprise sales team. Business Partners are major users of this business functions.

C. Sales Automation

It provides sales professionals with access to critical customer information and tools that enhance their ability to effectively sell as well as manage their time. For example: contact management, calendaring functions, forecasting tools, configuration models. The sales department uses this business function.

D. Marketing Automation

It supports marketing departments with campaign management, lead generation, and data mining tools. Closed-loop lead management is one of the most important functions of marketing automation and relies on integration with the CRM data repository and related applications. This function is highly convenient to marketing department for cross-promotion, advertising and direct marketing.

E. Customer Service

It enables the enterprise to effectively and efficiently address customer questions, problems or issues. While customer satisfaction is the primary goal, many organizations are seeking to increase revenues while providing customer service through "cross-selling". The customer service department uses this business function to provide quality service to customers.

VIII. Features of CRM in business

A. Customers Needs

An organization can never assume what actually a customer needs. Hence it is extremely important to interview a customer about all the likes and dislikes so that the actual needs can be ascertained and prioritized.

B. Customers Response

Customer response is the reaction by the organization to the queries and activities of the customer. Dealing with these queries intelligently is very important as small misunderstandings could convey unlike perceptions. Success totally depends on the understanding and interpreting these queries and then working out to provide the best solution.

C. Customer Satisfaction

Customer satisfaction is the measure of how the needs and responses are collaborated and delivered to excel customer expectation. In today's competitive business marketplace, customer satisfaction is an important performance exponent and basic differentiator of business strategies.

D. Customer Loyalty

Customer loyalty is the tendency of the customer to remain in business with a particular supplier and buy the products regularly. To continue the customer loyalty the most important aspect of an organization is to focus on customer satisfaction.

E. Customer Retention

Customer retention is a strategic process to keep or retain the existing customers and not letting them to diverge or defect to other suppliers or organization for business. More is the possibility to retain customers the more is the probability of net growth of business.

F. Customer Complaints

Always there exists a challenge for suppliers to deal with complaints raised by customers. Normally raising a complaint indicates the act of dissatisfaction of the customer. There can be several reasons for a customer to launch a complaint. Handling these complaints to ultimate satisfaction of the customer is substantial for any organization and hence it is essential for them to have predefined set of process in CRM to deal with these complaints and efficiently resolve it in no time.

G. Customer Service

In an organization Customer Service is the process of delivering information and services regarding all the products and brands. Customer satisfaction depends on quality of service provided to him by the supplier.

IX. Challenges of CRM implementation

A. Defining clear objectives

The organization should have a clear set of objectives to achieve through the CRM. These objectives need to be listed and defined as measurable metrics. Without doing so, the company can't assess the benefits or the ROI of the CRM system.

B. Appointing a core CRM team

The CRM initiative is not an IT project. A core CRM team should be formed in addition to the participation from top management, senior executives, customer service, IT and end-users. Only after the requirements are clear should they be handed over to IT for implementation.

C. Defining the processes

It is important for the processes to be clearly defined and enforced in order to set up the CRM project for success. One good practice is to create a central repository, accessible to all, which stores all the process definitions. This allows the document to be available for referencing by anyone using the system. Key processes that need to be defined from the start of change management process, feature re-evaluation process, etc. also, clear security measures with access management need to be in place to make sure that important data is not accessible by those who shouldn't be accessing it.

D. Managing the application

Once the CRM has been rolled-out, it is important to re-align the work culture of the teams around it. The business operation should properly map with the CRM application. This also means that end users should perform day-to-day operations through the CRM application by default and not optionally.

E. Finding the right partner

The rate of CRM success considerably goes up with the right solution partner. Ideally select a partner who can do both, strategy & implementation. It is important that your partner shares the risks of your implementation. Working with a vendor who understands local work culture, technology limitations and listens to the employees, are ideal.

X. Impact of CRM in different segments of business

A. Consumer Portal

A web-based merchant solution that includes capabilities for configuration and pricing and availability checks, and allows consumers to buy products and services, trigger orders, and check order status online. It is customer-centric website with e-commerce web store fronts providing one step e-tailing, bidding and auctioning solutions. It also has Consumer Specific e-room, Newsgroup & chat to enable cross functional sales guiding a reality.

B. Business Partner Portal

A web-based partner relation management solution enables companies to distribute leads and manage promotions outside the enterprise sales team. This portal is aimed at resellers, dealers, distributors, and agents etc. It also has business partner support e-room, newsgroup & chat to share information & documents in real time.

C. Sales Dept. Employees Portal

A web-based sales management solution enables companies to do sales & marketing automation with contact management using customer register, sales forecast management, sales order management, production & material planning management, and available to promise dates, marketing events management with calendaring. It also collects and manages sales calls & sales reports from field sales representatives. It also has sales support e-room, newsgroup & chat to support sales function in collaborative manner.

D. Customer Support Portal

A web-based expert system that provides answers to customized questions. Consumers can provide operation or maintenance specific answers. To field service person it can provide technical details about repairing the product. It also has customer support e-room, newsgroup & chat to share documents & ideas.

XI. Conclusion

CRM describes a companywide business strategy including customer interface departments as well as other departments. Consistency in customer satisfaction is the key for success of any business. It needs to track and analyze those interactions in a systematic and organized fashion in order to build everlasting customer relationship which translates to long-term success. Building customer relationships seem simple and however businesses around the world have struggled with it. CRM customers are also demanding more and more knowledge management functionality. Essentially, in the E-business economy, you need to deliver customer organizational knowledge on demand anytime and anywhere. In short, the future of CRM is bright indeed. CRM will become deeply ingrained as a business strategy for most of the companies. Technology will evolve while technical and organizational challenges are overcome. Much will change in the years ahead, but one thing is certain i.e., CRM is a journey, not a destination, and customers have their hands on the road map and the steering wheel.

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