Research Paper   Management

A Study on Barriers in Adoption of mCEM System

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ABSTRACT   Technology adoption is a medium for growth among Indian businesses and for the growth of the Indian economy as a whole. It has change the way of doing business to many companies. Revolutionary technologies are more and more being adopted by Indian businesses to facilitate collaboration, trade, learn, manage company business processes and deliver services. In India, businesses are adopting technology in major ways, particularly with respect to mobile technology. Due to constant change of technology, companies' battle to win customers has become more and more intense. Maintaining customer and building long term relationships has turned out to be unavoidability for companies who want to achieve something in today's consumer responsiveness market. New-fangled systems are developed that permit firms to manage and govern their relationships to the customers. These applications are called Customer Relationship Management (CRM) Systems concept which has evolved as a strategy rather than just a technological system and have been transformed into single of the majority broadly adopted business solution in the private sector. In the mean time, with an efficient mCRM strategy the company can learn which customers are to keep, put more focus on and develop further relationships with and which ones to be loose. Mobile CRM has become one of the most popular subjects mentioned in business literature today. The aim of this paper is to examine reasons for mCRM acceptance and barriers in adoption of mCRM system. The foremost focal point of this study is to find out why companies chose to adopt or not adopt mCRM systems.

KEYWORDS : mCRM, Technology, Barriers, Customer Relationship Management

Introduction:

Flourishing customer relationship management focuses on accepting the needs and desires of the customers and is achieved by placing these needs at the heart of the business by integrating them with the organization's strategy, people, technology and business processes. Due to the changing business environment mCRM has evolved to be used as a strategy to increase and retain customer loyalty and maintaining long lasting relationship with customers.

In today's fiercely competitive environment companies must be a customer centric, distributing resources, information and tools in a way that it makes possible to offer appropriate products and services that meet customer demand. While many of the studies focus on the general effects of mobile technology within the world of commerce, this paper aims to identify the factors that influence mobile customer relationship management. For the meantime, mobile business and mobile marketing are two of the most used terms in business literature today (Lehner & Watson, 2006).M-commerce or mobile commerce refers to the buying and selling of goods and services through wireless handheld devices such as a mobile phone and personal digital assistants.

The basic idea of mCRM is to distribute information and thus generate business in a mobile way. Along with the multiplicity of mobile services accessible, a new-fangled type of mobile business services are up-and-coming that mingle the ideas of CRM systems with the mobility of wireless networks. These mobile services are called Mobile Customer Relationship Management (henceforth referred to as mCRM) services. Mobile CRM services play a vital role in a new development which aims to create and manage personalized customer relationships (Gebert, Gieb, Kolbe & Brenner, 2003).

Mobile technologies propose only one of its kind and attention-grabbing commerce prospects for corporations. On the other hand, the fact that mobile commerce and mCRM are at a standstill comparatively new and raises several problems for companies. Furthermore, notice that in this paper we focus on barriers of mCRM services which are offered to consumers (as opposed to businesses). According to CRM today (2005), skepticism towards new technologies is a major barrier against adoption which poses a problem for the adoption of mCRM technologies.

Objective of the study:

The intention of this study is to recognize and inspecting barriers and facilitators of adopting Mobile Customer Relationship Management as component of an already existing CRM strategy.

Research METHODOLOGY:

For the purpose of this paper secondary research was undertaken. This paper tries to outline the current state of knowledge about mobile customer relationship management, and to study national barriers in adoption of mCRM system. A diminutive number of related journal articles were reviewed for the relevant secondary data collection through various sources such as websites, economic survey, books and journals

Mobile CRM and its BENEFITS:

Mobile CRM is a kind of customer relationship management relevance intended to be executed, operated and accessed through mobile platforms. Mobile CRM facilitates organizations to add, edit and manage their interaction and relationships with current or prospective customers through mobile applications on handheld mobile devices, PDAs and tablet PCs. The best mobile CRM solutions let mobile workers do everything they could do with CRM at their desktop, with the addition of advanced mobile CRM features. The possibilities that are created by mobile medium have enabled companies and industries to exploit this medium to promote CRM activities (Sinisalo et. al., 2006). By using mobile medium, according to Sinisalo et al. (2006), companies wish to advance activities with customer in the sense of saving time, cost and inconvenience. Mobile technology is previously having a significant impact on organizations' CRM strategies for sales, service, and marketing.

Mobile CRM propose sales professional instantaneous access to the data they require about specific clients, segments, trends, products and/or services, orders, and other information included in the traditional corporate CRM system via any mobile device. With Mobile CRM Businessmen can open two communication channels with their customers, built ongoing Mobile Customer Relationship Management relationships. The conversation is no longer a one-way dialog, mobile marketing and text messaging platform provide opportunities for continual feedback and a two-way dialogue. It can also generate a standardized way of working, with built-in defined processes with regards to sales, marketing and/or service, which in turn leads to increased productivity, efficiency, and collaboration. We thus define mobile CRM services as those that intended at encouraging customer relationships, acquiring or maintaining customers. Support marketing, sales or service processes, and employ wireless networks as the means of delivery to the customer. All designed to optimize the customer self-service experience and fully leverage mobile CRM.

❖ A new distribution network being available to conduct commerce
❖ Organize mobile survey to accumulate data, and receive customer feedback anytime anywhere.
❖ A ready convenient and secure way to do transactions
❖ Large reach, effective target marketing, and ability to offer location-based services.

❖ Assemble customer email address using text messaging
❖ Permit customers to contact customer service without waiting on phone
❖ Distribute time sensitive information to customer
❖ Make available account alerts via sms text message
❖ Produce leads with Text for information; customer can send text message to receive information about products and provide customer mobile number for follow-up.

Barriers to mCRM adoption among Indian business:
Considering the factors causing the barriers in adoption of mCRm will increase the understanding of how to get a positive development for mCRM systems. However the main purpose of the mCRM is to increase customer retention and profitability, wildly inconsistent results have made the system controversial. According to Sauer (1993) that system fails because of the users of the system, not the system itself. Hence, the lack of a holistic approach is a barrier for a well functioning mCRM system. Following are the barriers to mCRM adoption among the Indian companies

(i) Cost: Many businesses are not yet convinced about the return on investment in technology adoption. Hence cost is the major obstacles in adoption of mCRM system as representing the value add for the business is critical.

(ii) Risks: Risks explanation for another major barrier to the adoption of mobile technology. In Forsythe and Shi's study, they recognized financial risk, psychological risk, physical risk, security risk, privacy risk and product performance risk as potential risks that consumers perceive when conducting transactions online.

(iii) Deficient skilled manpower: Since mobile technology is still relatively new, in order for a company to adopt this technology, need to employ highly skilled manpower to relearn these skills for the mobile market. This may become a problem for employee, as there are constantly new mobile devices and applications developed. Employees may find it troublesome to relearn these skills each time new mobile technology is released into the market. Hence employing deficient skilled manpower is major barrier to the adoption of mobile technology

(iv) Reach-ability: With mobile technology, customers are forced to access or to preferred information in spite of their place and physical location; businesses are now taking the opportunity to reach out to consumers regardless of their location or the time.

(v) Low awareness of the benefits of technology: With the constantly changing mobile platforms and interfaces, consumers may find it a challenge to keep up with the technological trends that are always developing, while some may even find it hard to accept available technologies. Technological preference is recognized as an aspect that has considerably impacted consumers' satisfaction and purchase intentions, especially among consumers with no prior online purchase experiences. Consumers' readiness to adopt mobile technology, their accessibility to mobile technology and awareness with m-commerce must be considered. If consumers are unwilling to acknowledge this new form of technology and/or are not known with it, the chance of them adopting mobile technology is likely to reduce.

(vi) Trust, security and privacy: Customers may lose trust by unexpected product performance failures which are a very important issue that may affect consumers' adoption of mobile technology. Exposure of personal privacy information (such as financial and personal location information), from a consumers' point of view, the largest barriers are related to data security and privacy threats. Hildreth (2006) states that the issue of security is a concern within mCRM. Although security is not completely satisfied to date, improvements are steadily made by mCRM vendors.

(vii) Poor infrastructure: Poor infrastructure is an elementary barrier to technology adoption. IT users and non-users identical cited dependable Internet and mobile phone connectivity as a facilitator of IT adoption. Addressing infrastructure issues is indispensable for adopting cloud technology, which in itself can facilitate to conquer a number of the supplementary IT adoption barriers.

Conclusion:
Based on the secondary research and literature reviewed for this study, it is understandable that the mounting leaning of mobile and smart phone technologies have impacted the relationship between the companies and consumers. This study suggests that business need to understand their business needs and processes, and the mobile technology, to focus on their CRM strategies, and allocate resources in order to successfully adopt mCRM services to exploit the full potential. Knowledge and previous experience of IT is an important factor of whether or not a mCRM is adopted. A company's knowledge and previous experience of IT works as a facilitator of mCRM adoption. The type of industry that the company operates in does not affect the attitude towards mCRM. The respondent companies represent several different market sectors, ranging from travel industry to manufacturing. All companies have a positive posture towards mCRM technologies. Future research should be carried out to extend the knowledge regarding involving CRM and mCRM developers which would show the way to a deeper perceptive of how mCRM would be able to and will be distributed and spread among companies.

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