



CRM Software: A Comprehensive Package For Managing Customer Relation

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ABSTRACT

Customer relationship management (CRM) is a strategy widely implemented for nurturing and managing long term relation with customers. CRM is an activity which is implemented at companywide. Effective implementation of CRM program enhances the relation with customers and overall profitability of a company.

In the age of increasing competition, companies have to offer personal touch in interaction along with superior quality products and services. Customer interaction process has become very important as companies think that interaction or experiences forms the basic attitude about the company.

CRM software enables the organization in handling sales and after sales services effectively. CRM software support business operation by which sales people find easy to handle customer's requirement and thus they can serve customers in a different platform.

The present work focuses on management of customer relation by CRM software and its benefit in managing customers.

Keywords : CRM, customer relation, CRM Software.

Introduction

CRM is a business strategy which places the customer at the center of all activities. Today's market is very competitive as it is very hard to differentiate between competitors by their products and services thus it's very hard to maintain customer loyalty. It takes years to gain brand loyalty of consumers. Having good relation with customers increases overall profitability as it is proven that attracting new customers is four or five times costly than retaining the existing customer.

It is always true to say that practical operation is more difficult than theory. Saying a lot about managing a healthy relation and turning it into reality is altogether a different phenomenon. Thus, companies have to formulate a concrete plan to implement CRM program as it requires the engagement of every department of the company to execute the CRM program. CRM is said to be an enterprise wide activity which requires effective information technology mechanism. This will facilitate various section of company to interact in an effective environment. In this regard CRM software plays an important role. CRM software provides tools and technique to organization to improve their operation and build a strong bond with customers. CRM software helps organizations to automate the process of customer management. CRM software is a mean by which an organization implements its strategy. So when a company adopts CRM software for implementing CRM strategy, it has to formulate its strategy well in advance.

Understanding CRM and Customer Relation

CRM cannot be bound in time frame rather it is a continuous

process in which continuous assessment, feedback and repeat process is involved. Basically CRM has originated itself in the background of customer relationship. Customer relation has got tremendous importance in the age of tough competition. In the background of tough competition, managing relation has become important and thus CRM came into existence as a business strategy. Berry 1983 defined CRM as marketing activities that attract, maintain, and enhances, customer relation. Researchers have stressed a plan or a strategy which enables company to maintain long term collaboration and cooperation with customers. Seth and Parvatiyar (1995) emphasized that relationship marketing is a company's effort to develop and maintain a long range, cost effective, link with individual customer with mutual benefits.

Ganeshan (1994) says that long term orientation is emphasized because it is believed that marketing actors will not engage in opportunistic behavior if they have a long term orientation and that such relationships will be anchored on mutual gains and cooperation.

Dick and Basu (1994) and Reicheld (1996) emphasized that for managing relation in current age of hyper competition, marketers are forced to be more concerned with customer retention and loyalty.

Gronholdt et al (2000) stressed the importance of because it is believed that marketing CRM in maintaining and increasing customer satisfaction in order to create greater loyalty and thus enhance business performance for the organization.

Cannie and caplin (1991) said those marketers are concerned with keeping customers for life, rather than making a onetime sale. Boulding et al (2005) stressed that CRM enhances the outcome of continuing evaluation, and integration of marketing ideas and newly available data, technologies and organizational forms.

Foss and Stove (2001) says that CRM permits businesses to leverage information from their data bases to achieve customer retention and to cross- sell new products and services to existing customers. With the advent of CRM, as it is clear by the thought of the various researcher that now marketer are trying to have close relation with customers and they are trying to offer the products and services which customers really desires to have. CRM is most often confused with the word technological package or as software, but reality is that it is a comprehensive strategy adopted organization wide and technology or software is only the facilitator which allows top executives to implement CRM program effectively.

Relationship marketing and CRM is closely related to each other, if an organization is having a strong relation with customers then chances would be high that customer's relation would be for long lasting.

Operational efficiency is required to delight customers which is only possible with technological implementation. A happy customer will remain with the company for long time to come which is the primary objective of any CRM program. Technological deployment allows the organization to build their processes and thus creating a competitive advantage over rivals.

CRM software: A Complete package for Customer Relations

CRM software is a complete IT tools which facilitates maximum return on marketing activities. CRM software helps in closing sales call, managing future requirement of existing customers and lifetime relationship with existing customers. CRM software facilitates organizations to handle marketing, sales, customer service etc. from a single platform. It integrates customer data, sales records, sales leads, prospective customers, existing customer's interest and their future purchasing behavior. All these things surely give an edge to the salespeople who now can plan well than ever before in terms of their nearest competitors.

The primary objective of CRM is to have long term relationship with existing customers and that cannot be fulfilled without good CRM software. CRM software has become an essential element for CRM strategy of any company. Companies cannot avoid CRM software as it has become a necessity. CRM software makes the general process of company in automatic version in which sales call, order management, prospect leading, sales call records, sales closing records, service after sales, new sales call approach to existing customers are handled automatically by marketing and sales department effectively. Sometimes sales people are afraid as they think CRM software is to monitor their activities. Well it is true up to some extent but once sales person start working with CRM software, they realized CRM software is their helping tool. CRM software are offered by the companies like Microsoft, oracle, SAP, SAGE software, PeopleSoft etc.

An effective CRM software enables company to analyze data in respect of improvement in process is collected by customer's response. CRM software makes it possible to access the up to date of fresh data and making it accessible to the employees especially sales and marketing people. These data and their analysis help sales people to prepare well before making a sales call and offering customized products and services to the particular customer. CRM software is not simply a calculation of data but it is representation of those data in a useful manner which ensures efficient and appropriate usage of data collected.

How CRM software is useful in managing customer relations

CRM software covers the breadth of CRM functionality i.e. sales, marketing, customer service etc. Optimal business

performance requires coordination among various departments which are primarily involved in implementing CRM program. CRM software makes this task easy as it is a single platform at which people from various functional department are able to interact easily and thus they can create optimal business opportunities and thus can attract maximum business revenue. It's true that installation of CRM software involves cost but once it is installed it gives incremental revenue as part of a CRM program.

CRM software considerably reduces time involved in making sales calls, deriving information from database. Sales call preparation involves hours, CRM software saves this time. At any point of time sales call assistance like PowerPoint presentation, success stories of other customers, white papers are available which can be used to make sales call effective. Thereby enhances the chances of sales closure before expected time.

It is seen that various information is shared at various places which almost create a situation of ambiguity and confusion to access these information timely. CRM software provides relevant information by a single click.

Sales performance feedback is required to assess the performance of sales and marketing people. In the absence of any information technological tools, it is very hard to assess the performance of any department. CRM software allows organizations to track the existing sales performance and compare it to the pre specified target, it can very easily trace the existing performance and contributory areas and also the lacking areas of operations.

CRM software provides iterative innovation and continuous improvement. Business logic changes can take some days and weeks to implement; now these can be available in few hours. It allows companies to adopt and align their infrastructure and thus support the growth pattern of company in near future by fulfilling existing demand and identifying new business opportunities. CRM software enables companies to review the existing system and recommending the necessary changes requires.

Customer experience is the key to differentiate a company from its nearest competitors as in this age almost all products and services are identical to one another. An effective CRM solution improves overall customer experience. Marketing executives are able to understand the need of customer well whereas a customer executive resolves the problem well when they work on an efficient CRM solution.

Days (2003) says that the use of technology is expected to boost the ability of an organization to sustain profitable customer relationships by speeding up processes, allowing information to be integrated and shared smoothly, enable more efficient and effective firm- customer interaction, analyzing customer data, and customizing responses.

Customer relationship orientation will instill a belief system that emphasizes the importance of long term association with customers and the criticality of remaining valuable customers.

If a company develops world class relationship capability then it could be their source of competitive advantage. Moreover superior performance ability of CRM technology backed by intellectual managerial qualities will surely leads to the conversion of superior performance of the company.

Companies which are using CRM software efficiently are higher customer satisfaction, lower customer switching, reduced customer acquisition costs, and higher customer retention rate.

CRM software provides centralized data from where companies can access for the purpose which ranges from sales to services. Automatic report system allows companies to make segments of customers and then designing the products according to their needs and wants. CRM solution projects an accurate forecasting by which it becomes easier to foresee demand trends and products and services availability.

An Evaluation

CRM software alone cannot enhance business efficiency rather a comprehensive business strategy should be developed before adopting a CRM software package. Moreover, a clean customer data leads to the success of CRM software rather than a poor quality customer data. Data should be in quantity but its quality should be taken into consideration. CRM software helps in automating the task of contact management, lead generation, lead follow up, marketing activities and customer services.

CRM program fails only when it is poorly understood and improperly understood and managed. It requires prior homework before implementing only then CRM software will get a huge success in journey of any company.

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