CONCEPTUAL FRAMEWORK OF CRM PROCESS IN BANKING SYSTEM

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Abstract
Today, effective customer relationship management (CRM) has become a critical challenge in business competition. CRM is dependent on process management completely that focus on CRM, Managers can Make sure the efficient development of human resources in desirable performance. Purpose of this paper is conceptualizes CRM Process consideration the different perspectives that exist in CRM process, we grouped the different perspectives on the CRM process implementation. Therefore, this paper first defines the concept of CRM processes and Conceptual models of CRM, and finally, Conclusions. Keywords: Customer relationship management, CRM processes, banking system

1. INTRODUCTION
CRM is one of the techniques defined and developed with development of information and communication technologies as an important approach in business and return to Personal Marketing in the 90 des. In fact, this system is a strategy to gather customer business needs and behaviors that lead to stronger relationships with customer. Finally, a strong relationship with them the key to success in any business [1].Effective CRM has become a critical challenge in business competition and business and economic advancement of the country depend the banking industry's development foot to foot other Industries in country as banking industry in other developed countries [2]. Customer behavior Changes due the nature of the bank's financial activities have been more sensitive and requires careful planning and timely by banking network managers. CRM in banks can create and maintain personal relationships with profitable customers by customer accounts, using appropriate information, communication technology, monitoring process, data management and evaluation [3]. Many technologies have been presented in the form CRM but having a picture of CRM as a set of technologies is incorrect. As a better understand way CRM, it can be seen as a process that will help us to unit form collect of customer information Variety, sales activities, marketing effectiveness, marketing activity, in responsiveness to customer and market trends[4]. Development of CRM is dependent on process management completely, with a focus on CRM; Managers can ensure the efficient development of human resources in a desired output [5]. The Goals of CRM in banks can be followed: [6]
a) Increase the customer satisfaction and loyalty.
b) Divided into different market segments and improve the communication process with customers.
c) Increase the revenue by service fees.
d) Identify the specific values of each market segment and customers.
Four areas are identified for the implementation of CRM processes in banking [7]:
a) Build appropriate infrastructure in order to increase customer knowledge and understanding of customer profitability.
b) Resource allocation integrated into consumer-oriented strategies in order to maximize customer profitability.
c) Symbolic Picture of market in order to understand customer value.
d) Strategic planning Integration and customer value management.

2. DESCRIPTION OF CRM PROCESSES

Process refers to the activities set that convert organizational inputs (For example human resources) to the desired outputs (For example successful new products). Considering the activities set can be divided into upper and lower processes, Special nature of business processes (For example input and output) depends on the level that is defined in the process [5]. CRM can be defined as the access management process to customers and understanding customer needs, Customer retention with the requirements and conditions more than expectations and attracting new customers is done through specific strategic marketing approach to customer. This requires commitment of the entire organization [8]. CRM process can be defined as activities related to customer relationship management done by organizations; these activities are grouped into the deep. [9]. Srivastava et al have defined CRM as a macro-level Process among the various sub-processes Such as identifying vision and customer knowledge creation. Additionally, this process can be separated on the micro level, more and more (For example, data collection and storage are process at the micro level, that can be in the form of customer knowledge creation process). The overall success of this approach depends identify and respond to emerging customer needs and preferences [5]. CRM process are classified to the vertical processes, horizontal processes, forward processes, backward process and primary and secondary process and are expressed vertical process refers processes that placed fully performance business such as absorption customers whereas Horizontal processes refer to cross-functional processes such as product development. A forward process refers to customer dealing with processes such as claims management process, whereas backward process refers to the process hiding and dealing with customer, such as the process Procurement process. Primary process refers to the concepts the total income and expenses for the organization, Such as logistic processes in organizational activities, whereas secondary processes refers to the slight income and expenses for the organization [9]. Other theories about the CRM processes is Swift, Swift defines CRM as a continuous learning process in which information about each customer is converted to communicate with them, and not sufficient only the customer information, But must gather all the needs of customers , analysis and appropriate response to be given [6]. The aim CRM process is shaping customer perception of the organization and products by identifying the customer and customer knowledge creation and customer communication.

3. CONCEPTUAL MODELS OF CRM

Rinartz et al (2004) indicate CRM processes in level dealing with the customer as "a systematic process to start, keep and end relationships with customers at all points of contact with the customer in order to maximizing profitable relationship value.

A) The Start process: Includes before or at the start of the customer relationship (For example, identifying potential customers).

B) The Keep process: includes the activities that depict normal relationship with your customer (For example, cross-selling, the customer maintenance program).
C) The End process: Includes both find and ending bad relationship with inefficient and low value customers and end management activities. This process can occur at any time of the relationship.

CRM process in level dealing with the customer Includes creating unit view of customer in all communication channels and customer intelligence distribution to customer dealing with level functional, this perspective Highlights on the information coordination with regard to all time and communication channels [9]. For example, bank customers who interact with bank both the loan and the deposit, which this interaction with the Bank is done through different channels and different types of interactions. (Exchange, information requests, complaints) That may vary at any time [10].

Penny and Frow (2005) offered CRM processes by some group of managers is as follows: [11]

A) The strategy development process: balanced set of strategic processes that begins with a survey of the organization's strategy while this process focuses on business strategy and customer strategy. First, consider the business strategy and determine how the organization would develop it over time. It is motivated by Vision study of the industry and competitive environment. Customer strategy involves identifying existing and potential customers and identify the most appropriate form of customer segmentation with due to the necessities the regulation and integration between business strategy and customer strategy, which have been developed in various business functions. In other words, the strategic planning process includes a procedure for the development, implementation and evaluation of the CRM process.

B) The value creation process: In this process, program has been developed to provide an output value based on the strategy development process the output of the strategy development process and elements of this process are the following: a) Receiving customer value. b) Receiving organizational value. c) Maximizing customer lifetime value with the successful management of this value exchange with the process-oriented.

C) Multichannel Integration process: This process Creates customer activities add value based on the output of the strategic development process and value creation process, focus this process on decision-making a) What is the channel used (For example, sales force, direct marketing, media, mobile, e-commerce). b) Ensure high interactivity by channels used. C) Creating the customer units view of through more than one channel.

D) Information Management Process: data and information collected customer contact points with customers In addition it includes basic customer insights that can be used to increase the quality of customer experience, and its elements data warehouse, information technology systems, and analytical tools. Moreover, data analysis tools, Measures business activity, this type of measurement provide the basis for the performance evaluation process.

E) Performance evaluation process: Performance evaluation process has been established to ensure that the strategic objectives on conditions of use of CRM based on appropriate and acceptable standard for future improvement. Using of the performance measurement process that includes performance measurement process and Ongoing monitoring CRM activities over time. In addition getting customer feedback about the organization CRM and ensure that both organization and customer have achieved their objectives.

Davenport (1993) Business processes of company Classified into operational processes and managerial processes. Operational processes include a firm's value chain activities while
management process refers to the activities associated with the management and control and resource allocation. Information systems (IS) researchers have accepted this classification and have evaluated the effect of information technology on management and operational processes. Pany and Frow (2004) CRM refer CRM as all the strategic processes that occur between an organization and customers[11]. Rinartz et al (2004) Believe one of the main challenges in defining CRM. This is done defining considering organizational level of operational is at the level CRM. In other words, the manager or researcher believes that it is the appropriate level of CRM [10]. Operational CRM processes: Processes that occur in the level of company's operating. Zablah et al (2004) Suggests that this level is useful categorize process CRM, at this level, the CRM process are classified operational Knowledge processes and operational interaction processes. Operational knowledge processes including activities related to customer knowledge at the operational level (e.g Collecting customer data and distribution customer knowledge to the organization and between the organization and its customers). Operational interaction processes attempts to enhance a customer relationship with existing data. Management CRM processes: Management CRM Process implies strategic activities designed in order to create market intelligence and improves decision-making about resource allocation, new product or service development, etc. For example, Xu and Walton (2005) expressed that changes in customer behavior patterns, which must be managed as a process management CRM Could affect the Company's operations and decisions regarding the future strategy of the company [13].

4. CONCLUSION

Useful and appropriate strategy for bank is customer- orientation: In fact, this statement can be expressed somewhat stronger and said is foundation of customer banking system. Managers should consider to various aspects CRM process implementation in banking system, and banks consider organizational aspects when the CRM process implementation. If there is an appropriate organizational structure and incentives in banking system, it wills desirable effect on implementation of CRM process in banking system. Therefore, banks should organized their structure and create a reward structure to support the implementation of CRM process.

References


