

ANALYSIS OF CRM IN MANUFACTURING AND SERVICE COMPANIES

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Abstract

Customer Relationship Management is a business strategy to maintain, attract and promote of customer. Despite the global economic slowdown, the company needs for effective and efficient customer relationship management has not changed. Still create loyalty, decrease marketing costs, sales and service delivery is the priorities of any organization. For effective management and development of any organization in various industries including insurance, banking, manufacturing, industrial ... should done a conscious effort to customer-oriented. Understanding principle of marketing to retain customers is more profitable than attract new customers is caused that many companies adopt a marketing relationship. In this paper is analyzed CRM in companies.

Keywords: CRM, Customers, Manufacturing, Service.

1. Introduction

Increasing customer satisfaction is the goal of any company, thus managers by utilizing up to date management techniques have considered the use of specific strategies and advanced that use of customer relationship management is one of the most efficient (Hariri & Shahvar, 2010:24). Customer is the only reliable competitive advantage for organizations. Customer Relationship Management¹ is a business strategy to maintain, attract and promote of customer. With proper implementation of customer relationship management, organizations will be able to perform three tasks above with a lower cost and as a result, customer relationship management maintains original competitive advantage that is customer (Hassanzadeh, 2012).

Despite the global economic slowdown, the company needs for effective and efficient customer relationship management has not changed. Still create loyalty, decrease marketing costs, sales and service delivery is the priorities of any organization. For effective management and development of any organization in various industries including insurance, banking, manufacturing, industrial ... should done a conscious effort to customer-oriented. Understanding principle of marketing to retain customers is more profitable than attract new customers is caused that many companies adopt a marketing relationship (Dehdashti Shahrokh, 2016).

2. Definition of CRM

The idea of customer relationship management was introduced in the mid-1990s as a business and technology strategy to integrate some of the processes of sales, marketing, and customer service (Shahidi, 2005, p. 9). Associated with definition of customer relationship management can see the different definitions in the literature, but a single definition of the term is not available (Woodcock &

¹ CRM

Starkey, 2001). However, the most coherent definition of customer relationship management can be summarized and stated:” Customer relationship management is to create customer relationship and attract and keep him loyal to the organization in order to appropriate profit through information and communication technologies (Jalilpour & et al, 2014).

The term CRM is abbreviation of Customer Relationship Management. In fact, this system is strategy to collect needs and commercial behavior of customers that lead to build stronger relationships with their customers (Amiri, 2009). Customer Relationship Management or CRM is comprised of three main components: customer, relationship and management (Abbasi & Torkamani, 2010).

Customer relationship management is all the factors that are associated within an organization with the customer and intelligent manner. Customer management processes by support role of operational and business technology is technology and roles required for managing customers in multiple stages of the life cycle of organizations. This departments beyond is separate to a certain extent in each organization (Cunningham, 2002:12). Globalization and increasing competition and advances in communications and information technology have forced companies to focus customer relationship management (CRM) due to increased earnings in application of efficiency. CRM is as a competitive strategy in companies and organizations to focus more on the needs of customers and the same customer facing views across the entire organization. CRM is part of an organization's strategy to identify and satisfy customers and turning them into permanent customers. Also in line by company's customer relationship management and in order to maximize the value of every customer, can help the company (Turban& Mclean, 2002).

3. The necessity of the use of customer relationship management

Given the importance of customer as a pillar of organizational life and emphasizes customer relationship management to this element, the following reasons can raised as necessary of the use of customer relationship management in an organization (due to the complexity and scope of activities of any organization):

- Improve Services
- Customer satisfaction
- Reduction in costs
- Communication of person to person, even by millions of customers

Customer relationship management application features include: a focus on strengthening the relationship closer and deeper with customers, more usefulness of existing customers to new customers, analyze customer information for business decisions, communicate effectively with customers based on data converted to information and internet marketing, marketing person to person and marketing through the data (Ziakhosoosi,2011).

4. Four-Dimensional Model to Successfully Implement a CRM

According to previous research that has been done about CRM can be classified factors affecting in the implementation of CRM in the following four aspects: (Sin et al, 2005)

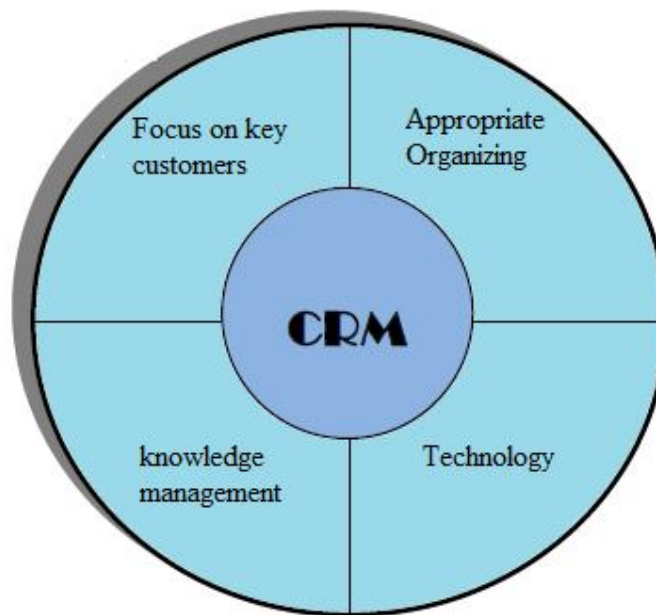


Figure 1: effective factors on successful implementation of CRM (Sin et al, 2005)

These four dimensions are aligned and match with previous research about CRM and Diamond model of Kuwait that knew structure, people, technology and processes involved in the development and success of organizational changes, including the implementation of CRM. Global today's highly competitive environment Impose pressures to reduce costs, while distinguish themselves through improving customer service in order to earn money (Tarzi & Bolirian Tehrani, 2012).

5. Customer Relationship Management Performance in Companies

CRM software packages communicate between tasks associated with external communications such as sales, marketing and customer service and tasks associated with internal communication such as finance, operations, logistics and human resources using the "contact points" that designs between the organization and the customer. Contact points or channels of communication between the firm and the client may include the Internet, e-mail, and regular mail, telephone marketing campaigns, call centers, faxes, advertising, and store. Using these points is collected necessary information for the customer. Information collected is analyzed for each customer separately (Tasks within the organization which is done by finance, production and research and development) and after analyzing the information of each customer is programmed individually. Outside tasks of organization is performed by the sales and marketing. Now with regard to new information technologies, organizations can collect quality and quantity of related data with customers and convert them in order to adopt strategic decisions to processed information. Customer identification is the starting point for activities in the CRM. Accordingly, the client known is who demographic characteristics and information related to him relationship exists in the firm. After identifying the customer, businesses can gained a deep understanding of their needs with collect, process and use the information contained in the record, and create Fair value for him. With the development of business relationships with customers grow some of them to a level that is called the main customers.

The main customers are small set of all customers that are really loyal to the firm and create very good value for their firms. Accordingly, the definition of core customers is considered as one of the strategic decisions. The main customers can be represented as follows: The main customer is the one who his value is defined through his role in profitability, long-term relationships actively, or strong

leadership of ideas. It should be noted that to identify key customers, in addition to the data associated with individual transactions with organizations, non-transactional information, such as introducing new customers or his feedback should be gathered. Information related to customers according to their content can be divided into three categories:

1. Customer information 2. Organizational information 3. Non-transactional feedback of customer

Customer information includes demographic characteristics and data related to customer transactions. This kind of information is the most common type information collected in the implementation of CRM. Firm with registered demographic characteristics can achieved sales volume, profitability, buying patterns and repetitions excellence of customer. Second category, information related to products, services and other organizational information that is useful from the perspective of the customer. This type of information is available through various communication media and is required to make informed decisions of the customer. Firms can provide above information via e-mail, automatic response system or web pages. The third type of information is non-transactional feedback of customer that includes complaints, suggestions, claims, etc. This type of information should be recorded in the customer record because strengthen customer interaction. Since this type of information includes complaints, customer needs and direct suggestions that can used in the development of new products and services to improve essential organizational processes (Mehrabi & et al,2010).

6. Discussion and Conclusion

Customer Relationship Management is a business strategy to maintain, attract and promote of customer. With proper implementation of customer relationship management, organizations will be able to perform three tasks above with a lower cost and as a result, customer relationship management maintains original competitive advantage that is customer. Customer relationship management application features include: a focus on strengthening the relationship closer and deeper with customers, more usefulness of existing customers to new customers, analyze customer information for business decisions, communicate effectively with customers based on data converted to information and internet marketing, marketing person to person and marketing through the data. Contact points or channels of communication between the firm and the client may include the Internet, e-mail, and regular mail, telephone marketing campaigns, call centers, faxes, advertising, and store. Using these points is collected necessary information for the customer. Information collected is analyzed for each customer separately (Tasks within the organization which is done by finance, production and research and development) and after analyzing the information of each customer is programmed individually

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