



E-CRM Framework: Service to Customer Perspective

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Abstract - In today's growing economy every business organization has realized that the central component of growth strategy is customer satisfaction. So customer relationship management is the main strategy that every business organization is following. CRM is now main mantra of marketing. The concept of E-CRM is due to development in the field of information and communication technology which increases the scope of CRM implementation. Here we can study a comprehensive model, which describes the relation between E-CRM factors & transaction cycle (Pre-purchase, At-purchase and Post-purchase). This paper suggests the implementation of E-CRM with not only the business perspective but also with service to customer perspective.

Keywords- CRM, E-CRM, Internet-Enabled CRM, Customer needs, Customer value.

I. INTRODUCTION

The shift from a product-based business strategy to a customer-based is a major transformation in companies. Many companies are investing a lot in technologies for adopting a customer-focused relationship marketing strategy. Now a days, customers are more demanding more knowledgeable, and require more attention. Increasingly, firms are shifting their focus to the customer, thus the rising importance of customer relationship management (CRM). Customer relationship management (CRM) is a comprehensive business and marketing strategy that integrate technology, process, and all business activities around the customer (Anton, 1996; Anton & Hoeck, 2002). With the growth of electronic business and rise of Internet-based services, the platform to deliver CRM functions on the Web is most popular; therefore, a new concept is emerged: E-CRM (Electronic customer relationship management). E-CRM takes advantages from the Internet and web technology to facilitate the implementation of CRM; it focuses on Internet- or web-based interaction between companies and their customers. Rosenbaum & Huang (2002) argue that the main driver for E-CRM adoption seems to be a commonly shared belief that it improves customer loyalty and retention through the enhancement of customer satisfaction, as customer satisfaction is one of the more immediate objectives of E-CRM. Researchers and practitioners alike are claiming positive effects of E-CRM on customer Satisfaction, survey conducted by InfoWorld suggests that 77 % of E-CRM projects fail to meet company goals (Apicella, 2001), Feinberg & Kadam (2002) survey suggests that E-CRM failure may be due to the implementation of features that executives believe affect customer satisfaction, but in reality do not have any effect at all. As organizations become increasingly customer focused and driven by customer demands, the need to meet customers' expectations and retain their loyalty becomes more critical.

Loyalty is not only based on the measures of consumer behavior, but the positive attitude towards the company and the probability to recommend the product/service usage (the willingness to provide a favourable word of mouth (WOM)) are also the manifestation of this concept (Zieithaml et al., 1996).

II. TRADITIONAL CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

Customer relationship management (CRM) is considered as one of the fastest growing management approaches being adopted across many organizations. Ref [1] defines CRM as "A management approach that enables organizations to identify, attract and increase retention of profitable customers, by managing relationships with them". CRM developed mainly from relationship marketing and the increased importance of improving customer retention through the management of customer relationships [2]. Relationship marketing means that the retention of the customer increase the profitability of organizations, this is because it is more efficient to maintain an existing relationship with a current customer than create a new one [3], [4].

III. INTERNET ENABLED CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

The concept of Internet-Enabled CRM includes conducting CRM strategy by utilizing devices which can deliver E-services through Internet. The extent of **Internet-Enabled-CRM generally** includes,

E-CRM	(Electronic CRM)
M-CRM	(Mobile CRM)
U-CRM	(Ubiquities CRM)

IV. ELECTRONIC CUSTOMER RELATIONSHIP MANAGEMENT(E-CRM)

Electronic Customer Relationship Management does not basically differ from CRM [5]. Development in the field of information and communication technology has increase the scope of CRM implementation in business Organizations, which leads to the rising of E-CRM concept. By integrating customer-related processes through the internet, E-CRM will help to improve customer acquisition, customer development and customer retention. E-mail and automated response considered as one of the important components of E-CRM. E-mail being the dominant way of communication between the company and the customer, it is an important part for maintaining customer relationships. Instant feedback to customers is an importance onsideration. Customers expect feedback response to be quick. Automating of e-mail reply based on key words and common queries in one way of speeding up the company's feedback response [6].

Some of the Benefits of E-CRM are:

- **Increased customer loyalty**
- **Effective marketing**
- **Improved customer service and support**
- **Greater efficiency and cost reduction**

V. CONCEPTUAL FRAMEWORK

The Existing CRM framework is based mostly on company's perspective for example it considers how to acquire customers, retain customers & create profits from them. Hence, a framework for customer perspective is still missing. The new framework is based on two dimensions –

- **Levels of customer needs related to customer value perceived.**
- **Process of E-CRM**

i.) Process of CRM

For find the level needs of customer related to value – first get the meaning of value.

Holbrook [7] defines customer value is interactive, experienced, relative, and favorable. This study considers customer value is the difference between obtaining and devoting and various from people.

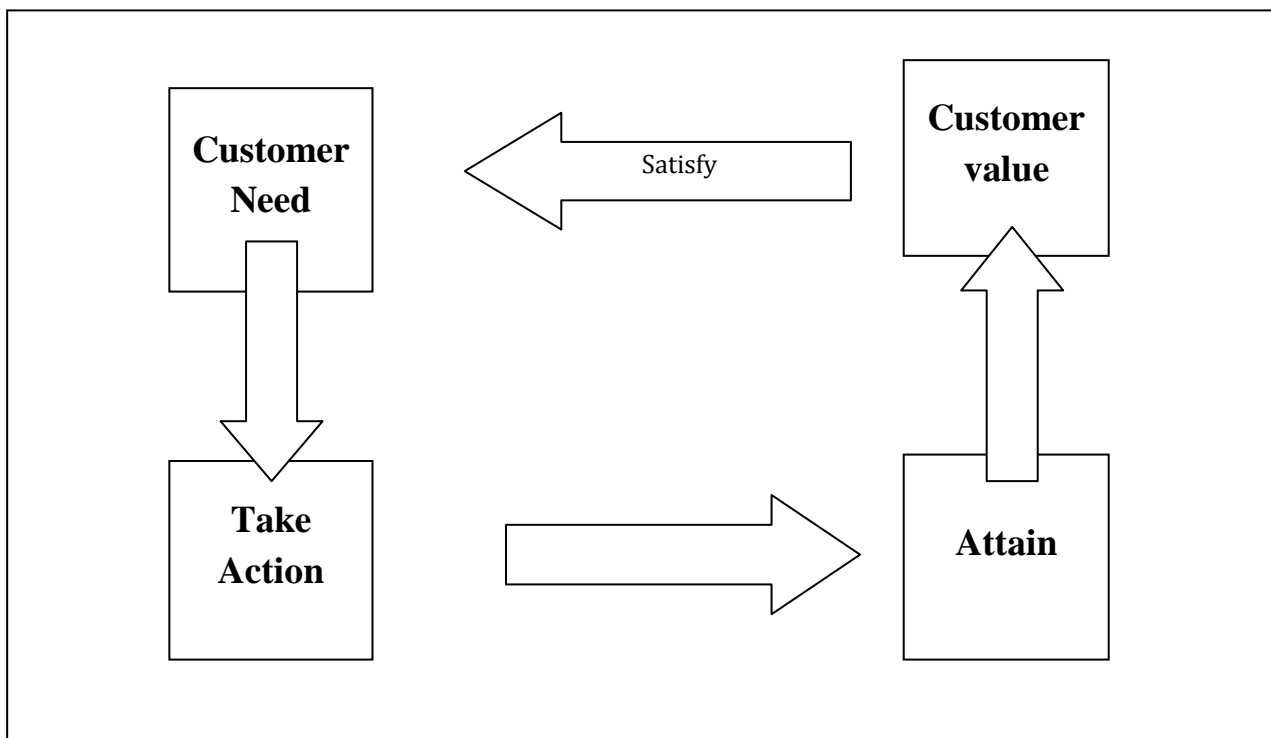


Fig. 1-Relationship between Customer need & Customer value

New Perspective for CRM in terms of motivation and value

1. **Customer Centric strategy: Different Customers – Different levels of needs & perceived value.**
2. **Real time service – What they want really.**

Here, we should understand the relationship between E+CRM process and the role and influence of the customer during the transaction cycle (Pre-Purchase, At-Purchase and Post-Purchase).

TABLE 1
Important factors for E-CRM

Pre-Purchase/E-CRM	Meaning
Web-site Presentation	Related to data, pictures and images on the website.
Access to information	How easy for a customer to find details of products?
Information Quality	Refers to the accuracy of the content
Loyalty	Providing gift vouchers/ free coupons/ bonus points
Searching Features	Refers to provide multiple search criteria
At-Purchase	Meaning
Payment	Allowing to choose many payment methods like cash on delivery, credit cards etc.
Privacy & security	Protection of customers personal data
Dynamic pricing	Providing price and quantity mix according to their status
Promotions	Refers to promotional offers during purchase
Ordering process and speed	Provide desired shopping offers and shipping charges
Post-Purchase	Meaning
Problem solving	refers to provide online/offline manuals or call a expert etc.
Order tracking	Refers to tracking of orders until delivered and then follow-up
After sale services	Refers to guarantee and warrantee options

VI. CONCLUSION

What is needed is to put E-CRM technology on the fast path, not only with company's perspective of profit, but also with keeping in mind the requirements and comfort of the customers. To fulfill that, we need to create an E-CRM strategy with a customer comfort point. The challenge lies in tying the corporate vision to a E-CRM vision and then developing a solid business case to support the technology investment. Once we have a solid E-CRM vision with supportive goals and objectives, the next step is to identify how the E-CRM initiatives and related technology will meet those goals. This means defining specifically how the technology will make a significant change in the areas most profitable to the organization.

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