A STUDY ON E-CUSTOMER RELATIONSHIP MANAGEMENT

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ABSTRACT

In this paper we explain about E-CRM and its how it useful in Morden business era. Now business has been globalized. We can easily see the impact of computer technologies on business. As we know that now business practices are changing from old economy to new economy due to globalization and easy participation in market. Now many new companies have entered in market from different countries. So now it’s a big challenge for pre-established company to retain their customers as well as acquisition of new customers. Now it’s very essential for any organization to retain their customers.

E-CRM is all about how to retain customers by making him satisfy by which they can be not only profitable for organization but also ambassador of that Organization.

In this paper it is attempted to review developments in E-CRM that facilitates online service to customers. Apart from review of technology related developments, the study focuses on identification of thrust areas resulting benefits and implementation strategies.

In this Paper we explain about E-CRM and how best way we use E-CRM by which organization could achieve profit and customer could satisfaction. Both should be benefited customer as well organization. It’s main aim of the study.

Keywords: Electronic Customer Relationship Management; Electronic Commerce; Relationship Marketing; IT in Business

INTRODUCTION

As we know that relationship are as old as mankind. We all are part of one relationship or the other. We do develop relationship at every stage of our life right from our birth with our family till we take last breath. Now E-CRM is a latest buzzword in the corporate sector. E-CRM provides a means to conduct interactive personalised and relevant communication with customer across electronic channels. It utilises a complete view of customer to make decision about massaging, offers and channels delivery.

The E-CRM or electronic customer relationship management encompasses all the CRM functions with the use of the net environment i.e., intranet, extranet and internet. Electronic CRM concerns all forms of managing relationships with customers making use of information technology (IT). E-CRM is enterprises using IT to integrate internal organization resources and external “marketing” strategies to understand and fulfil their customers’ needs and guide to the way to full fill the need.

The concept of relationship marketing was first founded by Leonard Berry in 1983. He considered it to consist of attracting and maintaining customer relationships within organizations. In the years that followed, companies were engaging more and more in a meaningful dialogue with individual customers. In doing so, new organizational forms as well as technologies were used, eventually
resulting in what we know as customer relationship management. We can say that in Morden business era. As the Internet is becoming more and more important in business life, many companies consider it as an opportunity to reduce customer-service costs, tighten customer relationships and most important, further personalize marketing messages and enable mass customization. ECRM is being adopted by companies because it increases customer loyalty and customer retention by improving customer satisfaction, one of the objectives of E-CRM. E-loyalty results in long-term profits for online retailers because they incur less costs of recruiting new customers, plus they have an increase in customer retention.

Together with the creation of sales force automation where electronic methods were used to gather data and analyze customer information, the trend of the upcoming Internet can be seen as the foundation of what we know as E-CRM today.

There has been an increasing impact of technology on CRM for the following reasons:

- Customers are more demanding and desire for product and services round the clock.
- They also wish to have these services with lots of dignity and special treatment.
- With increased competitions at the market place, customer loyalty is fickle; hence it requires a bundle of services to satisfy.
- Faster response and understanding every customer have become a key issues.

OBJECTIVE OF STUDY

1. To explain CRM and E-CRM and its importance in Business.
2. To explain impact of CRM & E-CRM on organization for business perspective.
3. To explain Differences between Transactional marketing and Relational Marketing.
4. To explain Different type application of IT in CRM and Business and how it’s useful for Organisation.

REVIEW QUESTIONS

- How CRM different from E-CRM?
- What is the role of IT in achieving the objectives of successful CRM?
- What should be the essential of an effective customer care function?
- Customer profitability is a key factor that needs to be identified before designing exclusive CRM Programme. Explain.

REVIEW OF LITERATURE

E-CRM can be defined as activities to manage customer relationships by using the Internet, web browsers or other electronic touch points. The challenge hereby is to offer communication and information on the right topic, in the right amount, and at the right time that fits the customer’s specific needs.

How does CRM translate into Electronic CRM?

To know the answer of this question we need to understand CRM and ECRM and its relation and Differences.

CRM: CRM (Customer Relationship Management) refers to all marketing activities aimed at establishing, developing and maintaining successful customer relationships.

Elements of CRM: Elements describe in figure.....
Differences between CRM and E-CRM

Differences basis on following areas:

**Base on Customer contacts**
- CRM – Contact with customer made through the retail store, phone, and fax.
- E-CRM – All of the traditional methods are used in addition to Internet, email, wireless, and PDA technologies.

**Base on System interface**
- CRM – Implements the use of ERP systems, emphasis is on the back-end.
- E-CRM – Geared more toward front end, which interacts with the back-end through use of ERP systems, data warehouses, and data marts.

**Base on System overhead (client computers)**
- CRM – The client must download various applications to view the web-enabled applications. They would have to be rewritten for different platform.
- E-CRM – Does not have these requirements because the client uses the browser.

**Base on Customization and personalization of information**
- CRM – Views differ based on the audience, and personalized views are not available. Individual personalization requires program changes.
- E-CRM – Personalized individual views based on purchase history and preferences. Individual has ability to customize view.

**Base on System focus**
- CRM – System (created for internal use) designed based on job function and products. Web applications designed for a single department or business unit.
- E-CRM – System (created for external use) designed based on customer needs. Web application designed for enterprise-wide use.

**Base on System maintenance and modification**
- CRM – More time involved in implementation and maintenance is more expensive because the system exists at different locations and on various servers.
- E-CRM – Reduction in time and cost. Implementation and maintenance can take place at one location and on one server.
E-CRM: E-CRM is the process of maximising sales to the existing customer, encouraging continuous relationships through the use of digital communications technologies such as operational databases, personalized web messages, Customer Service, Email and Social Media Marketing.

Benefits of e CRM

- Reducing costs in customer targeting (customising emails on large scale therefore reducing costs for direct mail).
- Increasing the meaning of information.
- Better and relevant understanding of customers and relationship dynamics.
- Encouraging customer relationship/customer development and retention through loyalty programmes

Implement of E-CRM Process: As we implement E-CRM process, there are three steps life cycle.

- Data collection: About customers preference information for actively (answer knowledge) and passively (surfing record) ways via website, email, questionnaire.
- Data aggregation: Filter and analysis for firm’s specific needs to fulfil their customers.
- Customer interaction: According to customer’s need, company provide the proper feedback to them.

E-CRM aims and Focus

What is E-CRM about?
Customer Selection

- Who do you target?
- What value do they bring to your objectives?
- What is their lifecycle?
- Where do we find these customers?

Customer Acquisition

- Focus on the right segments and target them
- Minimise acquisition costs
- Make customer relationship and service quality a priority
- Approach the appropriate platforms

Customer Retention

- Know customers’ needs individually in order to develop a good e CRM strategy
- Offer value continuously in order to retain online interest and improve customer relationship
- Focus on delivering service quality to the utmost standard
- Choose the right channels for your strategy

Customer Extension

- Recognize the customer’s relationship interest and respond
- “Cross Sell” and “Up Sell”
- Service Quality
- Use appropriate platforms/channels.

E.CRM Resources
Implementing and integrating E-CRM work:

For Non-electronic solution: Several CRM software packages exist that can help companies in deploying CRM activities. Besides choosing one of these packages, companies can also choose to design and build their own solutions. In order to implement CRM in an effective way, one needs to consider the following factors:

- Create a customer-focused culture in the organization.
- Adopt customer-based managers to assess satisfaction.
- Develop an end-to-end process to serve customers.
- Recommend questions to be asked to help a customer solve a problem.
- Track all aspects of selling to customers, as well as prospects.

Furthermore, CRM solutions are more effective once they are being implemented in other information systems used by the company. Examples are transaction processing system (TPS) to process data real-time, which can then be sent to the sales and finance departments in order to recalculate inventory and financial position quick and accurately. Once this information is transferred back to the CRM software and services it could prevent customers from placing an order in the belief that an item is in stock while it is not.

For Cloud solution

Today, more and more enterprise CRM systems move to cloud computing solution, companies can cost efficiently as pay-per-use on manage, maintain, and upgrade etc. system and connect with their customers streamlined in the cloud. In cloud based CRM system, transaction can be recorded via CRM database immediately.

Some enterprises CRM in cloud systems are web-based customers don’t need to install an additional interface and the activities with businesses can be updated real-time. People may communicate on mobile devices to get the efficient services. Furthermore, customer/case experience and the interaction feedbacks are another way of CRM collaboration and integration information in corporate organization to improve businesses’ services.

There are multifarious cloud CRM services for enterprise to use and here are some hints to the your right CRM system:

1. Assess your company’s needs: some of enterprise CRM systems are featured
2. Take advantage of free trials: comparison and familiarization each of the optional.
3. Do the math: estimate the customer strategy for company budget.
4. Consider mobile options: some system like Salesforce.com can be combined with other mobile device application.
5. Ask about security: consider whether the cloud CRM solution provides as much protection as your own system.
6. Make sure the sales team is on board: as the frontline of enterprise, the launched CRM system should be the help for sales.
7. Know your exit strategy: understand the exit mechanism to keep flexibility

For V-CRM

Channels, through which companies can communicate with its customers, are growing by the day, and as a result, their time and attention has turned into a major challenge. One of the reasons E-CRM is so popular nowadays is that digital channels can create unique and positive experiences – not just
transactions – for customers. An extreme, but ever growing in popularity, example of the creation of experiences in order to establish customer service is the use of Virtual Worlds, such as Second Life. Through this so-called V-CRM, companies are able to create synergies between virtual and physical channels and reaching a very wide consumer base. However, given the newness of the technology, most companies are still struggling to identify effective entries in Virtual Worlds.

Steps to E-CRM Success

Many factors play a part in ensuring that the implementation any level of E-CRM is successful. One obvious way it could be measured is by the ability for the system to add value to the existing business. There are four suggested implementation steps that affect the viability of a project like this:

- Developing customer-centric strategies
- Redesigning workflow management systems
- Re-engineering work processes
- Supporting with the right technologies

CONCLUSION

In this paper we have discussed various changes that have taken place in the history of Marketing. We have also dealt with various forms of relationship and emergence of relationship as a potent marketing tool.

It is important for companies to realise the importance of customer relationship management in their sustain success. E-CRM is a very essential for organization and its successfully implementation is necessary. It is a software with unique key which guide to company that how to deal with customers’-CRM software provide all information about customers easily. For success any organization its very important success of CRM plans. As we know that now concept changes to manual process to automation so ECRM has a crucial role in organization.

The unique contribution of this paper is its focus on e-CRM research from an IT perspective. The study framework provides a foundation for important questions to

Study, and points to key constructs whose operation will add value to this re-study area. As observed, an enterprise is confronted with different and vast spectrum of customers. So customer-share must be retained with all of the powers. Business concerns websites should keep high level of service quality for their profit-customers. For example, banks should increase amount of ATM, POS, bank’s cards, E-branches and then they can keep and increase level of service quality.

In this paper we discuss all about CRM, ECRM and its impact and the use of it in organizations. Maximization of Profit and Customer Satisfaction are main goal of any Organization. In the world of intense competitions where the customers are more demanding and the competitors are just a click away, better CRM is the only source of competitive advantage.

Last but not least. Conceptual Clarity, Emotional Maturity, Mental Stability are the key to Relational longevity.

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