

An Effective Way Of Handling Integrated Approach Through Customer Relationship Management

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Abstract

Customer Relationship Management has become inevitable for the growth and profitability of companies in the current scenario marked by increasing competition, technological advances and authorized customers. CRM practices are adopted to generate better understanding of customer development product, proper targeting, segmentation, campaign management and cost-effective maintenance of long-term and mutually beneficial relationships with customers. Indian companies handling Customer Relationship Management is still in a nascent stage. A very small proportion of their potential has been used.

An integrated approach to CRM includes all departments who have a stake in the customer relationship be involved in the initiatives to further the customer relationship. CRM means obtain a better understanding perceptive of customers and what they desire from the company, as well as its products and services.

Keywords: Customer relationship management, Growth, Competition, Customer, Company, Product.

1.1 INTRODUCTION:

CRM plays key role and very essential in service sector. It is creating a relationship with the customers is pretty easy as compared to customer retention. Customers would like utmost services to them which are equal to the money which they are paying from the service provider. Relationship building with customers is now accepted and very important for the industries to maintained relation with same pace. In service industries, the goal is principally emphasize a repeat customer is believed to cost merely a portion of what needs to be sent in servicing a new customer is service business. It is believed that relationships increase when marketers meet customers' core opportunity and exceed in respect of other characteristics of their total offering. Service firm include the pioneers in adopting the CRM practices in various industries in India.

CRM is a strategy to build, manage and strengthen relationships with loyal clients and long-lasting. CRM is an approach based on the client based on the knowledge of the customers. Its aim is to 'Custom' handling of

customers as separate entities through the identification and understanding of their different needs, preferences and behaviours. Some more definitions to clarify the concept of CRM, according to Philip Kotler, CRM is the process of managing carefully detailed information about individual clients and all clients 'touch points' to maximize customer loyalty.

Initiatives to attract, retain and build long term intimate relationship with profitable customers, innovation and delivery of quality service customer-driven have become key elements in the marketing strategies. Management of the relationship with the three focal points - perceived value of customer, customer satisfaction and customer loyalty - has become a key success factor in achieving sponsorship sustained profitability for the company and customer. Customer Relationship Management (CRM) is an effective tool to achieve this goal.

1.2 CRM PROCESS

CRM processes can be broadly divided into five categories: (Reinartz, w., Kraft, M. and Wayne D. Hoyer, 2004).

1. The process strategy development: This process requires a dual focus on the Organization and its strategy of client business strategy.

2. The process of creation of value: the value creation process transforms the outputs of the strategy in the process of developing programs that will extract and deliver value. The three key elements of the value creation process are (i) to determine which value the company can provide to your customer; (ii) determine the value of the company can receive from its customers and (iii) through the management successfully from this exchange of value, which is a process of co-creation or co-production, maximizing the value of the life of the desirable customer segments.

3. The process of integration of multi-channel: multi-channel integration is possibly one of the most important in CRM processes because it takes the outputs of the business strategy and value creation processes and translates them into value-added activities with customers.

4. The process of information management: information management process refers to the collection, compilation and use of information from all points of customer contact and customer data to generate knowledge of customers and marketing answers appropriate. Key elements of the processes of information management are the data repository, which provides a corporate memory of customers; Systems, including the Organization, computer hardware, software, and middleware; analysis

tools; and front office and back office applications, which support the activities involved in interfacing directly with customers and operations internally, administration, and supplier relationships.

5. The process of evaluation of performance: the performance evaluation process covers the essential task of ensuring that the strategic objectives of the Organization in terms of CRM are delivered to an appropriate and acceptable standard and a basis for future improvement is sets. This process can be seen as having two main components: results of the shareholder, which provide a view macro of global relationships that drive performance and performance monitoring, which provides a more detailed view, micro of metrics and key performance indicators.

1.3 INTEGRATING APPROACH OF CUSTOMER RELATIONSHIP MANAGEMENT:

CRM is one of the important strategies to manage customer as it focus on understanding customers as individual instead of as part of group. Managing customer's relationships is important and valuable to the business organising and the efficient relationship involving between customers and Indian sectors depends on the understanding of the

different needs of customer's at different stages.

The integrated approach of Customer Relationship Management (CRM) is to find ways to participate in the discourse-oriented service to the customer and cost effective with clients in all aspects of the customer lifecycle. Goal of an enterprise must attend with a high level of attention - from first contact right through customer service to customers. Sophisticated relational marketing empowers businesses to capture, analyze and distribute information more efficiently and profitably than ever before. Once the domain of the sales and marketing departments, now customer relationship management systems distribute information through the company all customer contact points, but the main objective is often the technology and development.

The integrated approach of CRM, involving all departments who deal with customers during the customer life cycle, must be a long-term strategy. It often takes many relations with customers to develop trust, which leads to repeat business beyond an initial sale. A company must consist of departments beyond the sales desk. The production, finance, the service and repairs, and any other department that engages with customers must be part of the integrated approach to CRM.

The CRM integrated approach also includes asking for feedback from customers that is relating to an enterprise's products and services. The goal is to get a comprehensive view of customer's expectations, issues, problems, and concerns, as pertains to the company. This well-rounded analysis of what customer's desire is at the heart of excellence CRM.

An integrated CRM approach includes all departments who have an interest in the relationship customer involved in initiatives to promote the relationship with the client. CRM means get a perceptive understanding of customers and what they want from the company, as well as its products and services. Customers are the means of support of any business. CRM switches to the front of all makes a company, because without a thorough understanding of customers and the quality of care, other corporate initiatives ultimately will fail, or at least deliver results that do not add correctly to a company development and benefits.

The integrated approach to CRM, involving all the departments dealing with customers during the lifecycle of the customer, should be a long-term strategy. It often has many relationships with customers to develop confidence, leading to repeat business beyond a sale.

Customer relationship management has garnered the interest of both academic and practitioner community with the emergence of through that customer are the key drivers of the business growth and gaining economic edge.

Differentiating customer: all the customers are not equal. So, to recognize and reward the best customer, CRM needs to be understood s regards

- i. Sensitivity, tastes, preference and personalities of different customers
- ii. Life style and age factors.
- iii. Cultural background and education status of customers
- iv. Physical and psychological aspects

Differentiating offering: CRM solution needs to differentiate between low value customer and high value customer so that the organizing can be customised as regards their offering in the following manner:

- i. High value customer requiring high value customer offerings.
- ii. Low value customer with potential to become high value in near future
- iii. High value customer requiring high value services.

Keeping existing customer: another important goal of CRM is retention. Grading customer s satisfied/dissatisfied shall help the

organisation in always improving its customer satisfaction level enhances, customer retention will automatically enhanced.

Customer Life time value: By identifying life stage and life event stages of the customer, the organisations can achieve the CRM goal of maximising share of purchase potential.

1.4 CRM PRACTICES - TOOLS OF BUSINESS STRATEGY

Customer Relationship Management is a corporate level strategy, focusing on creating and maintaining relationships with customers. Berry (1983) recommends the following five strategies for relationship marketing practice.

- Development of a product or service based around what customer relationship is built.
- Innovative increase and add value through value added features and services.
- The relationship with the individual customer customization.
- Pricing services to foster customer loyalty.
- Marketing CRM internally to employees to enable them to perform well with customers.

The basic strategy of CRM based on the traditional idea that knowledge of customer and service commitment to the customer is the best method of developing a sustainable competitive advantage. But build a successful

and sustainable relationship with a large customer base is not as easy to do and has a direct impact on many basic operating processes. In the heart of a perfect CRM strategy is to create mutual value for all parties involved in the business process.

It is creating a sustainable competitive advantage by being the best to choose, design, provide, communicate and deliver value to existing customers as well as create and keep new customers. It addresses the changing needs of the customers by developing products and services that continually attract individual customers. Organizations structure their efforts around customers that products segments to deliver customer satisfaction.

1.5 CONCLUSION:

To survive in the competitive world, Indian industry is aware of the importance of the relationship of the customer and is adopting the management of relationships with customers. Thus, with each customer interaction can give the opportunity to build a relationship of life. Customer relationship management systems are becoming popular in various sectors and have emerged as a strategy of core business in the competitive environment in enterprises today. CRM is based on the basic belief of marketing than an organization that knows your customer as an individual. CRM integrates sales, marketing,

service, enterprise resource planning and the management of the supply chain through business processes through the use of technological solutions, resources of information and automation to maximize the contact with the client.

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