



# Customer Relationship Management: Ease Way to do Business

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**Abstract:** *The task of managing customer relationship activities is generally assigned to a person or team. In a CRM program there will usually be a program director and, depending on the size of the program, separate managers for each activity. In today's highly competitive environment, the goal of having loyal customers more than justifies creating a CRM organization, through not necessarily a separate department, so as to make it easier for top management to identify the individuals responsible and monitor program performance. It has been empirically demonstrated that perceived channel integration directly influences future purchase decisions and customer loyalty and retention. CRM relies heavily on complaints handling. Companies need to have agreed processes and practices for dealing with complaints. Though commonly neglected, this has been shown to be directly correlated with program quality and customer retention. Nowadays, the profitability and results of promotional and communication activities are expected to be measurable. Successful improvement will result in enhanced relationship quality, reflecting customers' trust in the company confidence in the company's honesty and reliability and stronger customer commitment and loyalty (desire to maintain the relationship).*

**Keywords:** *customer, relationship, management, information, Social media, and marketing.*

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## Introduction

The concept of customer relationship management started in the early 1970s, when customer satisfaction was evaluated using annual surveys or by front-line asking. The first open-source CRM system was developed by Sugar CRM in 2004. During this period, CRM was rapidly migrating to the cloud, as a result of which it became accessible to sole entrepreneurs and small teams. This increase in accessibility generated a huge wave of price reduction (comparecamp.com. 2017).

Around 2009, developers began considering the options to profit from social media's momentum and designed tools to help companies become accessible on all users' favourite networks. Many startups at the time benefited from this trend to provide exclusively social CRM solutions, including Base and Nutshell. (comparecamp.com. 2017.)

The same year, Gartner organized and held the first Customer Relationship Management Summit, and summarized the features systems should offer to be classified as CRM solutions (gartner.com. Retrieved 2017). In 2013 and 2014, most of the popular CRM products were linked to business intelligence systems and communication software to improve corporate

communication and end-users' experience. The leading trend is to replace standardized CRM solutions with industry-specific ones, or to make them customizable enough to meet the needs of every business.(comparecamp.com. 2017.)

Customer relationship management (CRM) is the combination of practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle. The goal is to improve customer service relationships and assist in customer retention and drive sales growth. CRM systems compile customer data across different channels, or points of contact, between the customer and the company, which could include the company's website, telephone, live chat, direct mail, marketing materials and social networks. CRM systems can also give customer-facing staff members detailed information on customers' personal information, purchase history, buying preferences and concerns (Chai, Ehrens, and Kiwak, 2020).Customer relationship management (CRM) is a technology that helps businesses to build and improve relationships with customers or clients with the aim of enhancing customer loyalty, communication, profits, and the internal and external functioning of a business. From the organization's point of view, this entire relationship encompasses direct interactions with customers, such as sales and service-related processes, forecasting, and the analysis of customer trends and behaviors. Ultimately, CRM serves to enhance the customer's overall experience.

### **Understanding Customer Relationship Management (CRM)**

Social media is one-way companies adapt to trends that benefit their bottom line. The entire point of CRM is to build positive experiences with customers to keep them coming back so that a company can create a growing base of returning customers. Increasingly, the term CRM is being used to refer to the technology systems companies can engage to manage their external interactions with customers at all points during the customer lifecycle, from discovery to education, purchase, and post-purchase.

### **Benefits of customer relationship management**

- **Workflow automation.** CRM systems help businesses optimize processes by streamlining mundane workloads, enabling employees to focus on creative and more high-level tasks.
- **Lead management.** Sales leads can be tracked through CRM, enabling sales teams to input, track and analyze data for leads in one place.
- **Human resource management (HRM).** CRM systems help track employee information, such as contact information, performance reviews and benefits within a company. This enables the HR department to more effectively manage the internal workforce.
- **Analytics.** Analytics in CRM help create better customer satisfaction rates by analyzing user data and helping create targeted marketing campaigns.

- **Artificial intelligence.** AI technologies, such as Sales force Einstein, have been built into CRM platforms to automate repetitive tasks, identify customer-buying patterns to predict future customer behaviors and more.
- **Project management.** Some CRM systems include features to help users keep track of client project details such as objectives, strategic alignment, processes, risk management and progress.
- **Integration with other software.** Many CRM systems can integrate with other software, such as call center and enterprise resource planning (ERP) systems.
- Businesses use CRM systems to optimize sales and marketing and improve customer retention. Data analytics is also much easier, where businesses can track the success of various projects or campaigns, identify trends, infer associations, and create visually intuitive data dashboards.
- Customers enjoy better service and are more likely to report higher satisfaction as a result. Customer interactions including complaints are stored and can be easily recalled so that customers do not have to constantly repeat themselves.

#### **Types of CRM(Andersons, 2022)**

- **Sales CRM:** to drive sales and increase the pipeline of new customers and prospects. Emphasis is placed on the sales cycle from tracking leads to closing deals.
- **Marketing CRM:** to build, automate, and track marketing campaigns (especially online or via email), including identifying targeted customer segments.
- **Service CRM:** integrated dedicated customer service support with sales and marketing. Often features multiple contact points including responsive online chat, mobile, email, and social media.
- **Collaborative CRM:** encourages the sharing of customer data across business segments and among teams to improve efficiency and communication and work seamlessly together.
- **Small Business CRM:** optimized for smaller businesses with fewer customers to give those customers the best possible experience. These systems are often much simpler, intuitive, and less expensive to implement than enterprise CRM.

#### **Three Easy way to manage customer according to Conrady (2021) are:**

##### **1. Respond Quickly Through All Channels Possible**

Companies that successfully implement an agile and effective lead response strategy see increases in the probability of pipeline conversion. It's pretty much common sense; the more you get yourself in front of a potential client and let them know about the value you can provide for them, the more likely you are to close a sale. If you are successfully utilizing your marketing or CRM software, total follow-up can be a non-issue within your organization. You should be aiming to get back to leads within 5 minutes of their first interaction in some way—

and even that may be stretching it. Without proper follow-up with every single lead, you will not be able to comfortably say that you did all you could to close that sale or get that client.

## **2. Eliminate Wasted Steps (And Time)**

Modern buyers are extremely busy and easily distracted; they have become hard-wired to expect a speedy and obstacle-free buying experience, no matter the device they are using. When it comes to the business side of that sales process, this kind of speed requires eliminating cumbersome steps and reducing waste throughout your entire sales cycle, whether it is customer-facing or happening in your back office. If possible, deter from arranging additional meetings. Make sure the meetings that do have to be completed are economical and speedy. Come to the table with solutions, no matter what—don't just talk around a solution. The more you focus on delivering an actionable product or improvement to your customer, the faster and more positively those customers will respond (and return to you).

It's left up to marketing to preside over pre-sales leads, inquiries and qualification. Depending on your company's specific process and strategy, marketing will determine a length of time before the lead moves to an automated system which forwards information directly to the source's contact information — a hands off process that is both consistent and viable. Eliminating steps in managing customers and automating much of the work that you may forget—and thus lose that lead—simply manages engagements more efficiently and takes much of the burden off your shoulders.

## **3. Configure CRM to Your Sales Process**

CRM is often portrayed as easy to use—a kind of out-of-the-box magic potion—but in fact it can be a very complex process if you are rendering workflows internally, especially if your company has re-positioned itself in an upcoming or new market. You need to ensure that your CRM software supports an easier and more efficient sales process. Although customization and reconfiguration may seem like a large investment of time and resources, but you will more than make up for it in the saved time when your team members work within the CRM software. You need to be certain that how you manage customer relationships and data input does not slow the system down or convolute your process.

The CRM should be aligned to key selling workflows and constantly focused on your best practices and eliminating unnecessary data entries. Team members should be enabled to build templates, and other triggers, to move through selling steps much faster with simplicity. After all, if your sales associates find the software cumbersome to use, they simply won't use it. Then, all you can be sure of is that the money you invested in the software is being wasted.

### **Components of customer relationship management**

The main components of CRM are building and managing customer relationships through marketing, observing relationships as they mature through distinct phases, managing these relationships at each stage and recognizing that the distribution of the value of a relationship to the firm is not homogeneous. When building and managing customer relationships through marketing, firms might benefit from using a variety of tools to help organizational design, incentive schemes, customer structures, and more to optimize the reach of their marketing campaigns. Through the acknowledgment of the distinct phases of CRM, businesses will be able to benefit from seeing the interaction of multiple relationships as connected transactions. The final factor of CRM highlights the importance of CRM through accounting for the profitability of customer relationships. Through studying the particular spending habits of customers, a firm may be able to dedicate different resources and amounts of attention to different types of consumers (Reinartz, Werner; Krafft, Manfred; Hoyer, Wayne, 2004).

Relational Intelligence, which is the awareness of the variety of relationships a customer can have with a firm and the ability of the firm to reinforce or change those connections, is an important component to the main phases of CRM. Companies may be good at capturing demographic data, such as gender, age, income, and education, and connecting them with purchasing information to categorize customers into profitability tiers, but this is only a firm's industrial view of customer relationships. A lack in relational intelligence is a sign that firms still see customers as resources that can be used for up-sell or cross-sell opportunities, rather than people looking for interesting and personalized interactions Avery, Jill; Fournier, Susan; Wittenbraker, John (2015). CRM systems include:

- Data warehouse technology, used to aggregate transaction information, to merge the information with CRM products, and to provide key performance indicators.
- Opportunity management which helps the company to manage unpredictable growth and demand, and implement a good forecasting model to integrate sales history with sales projections.
- CRM systems that track and measure marketing campaigns over multiple networks, tracking customer analysis by customer clicks and sales.
- For small businesses a CRM system may consist of a contact management system that integrates emails, documents, jobs, faxes, and scheduling for individual accounts. CRM systems available for specific markets (legal, finance) frequently focus on event management and relationship tracking as opposed to financial return on investment (ROI).
- CRM systems for e-commerce, focused on marketing automation tasks, like cart rescue, re-engage users with email, personalization.
- Customer-centric relationship management (CCRM) is a nascent sub-discipline that focuses on customer preferences instead of customer leverage. CCRM aims to add value by engaging customers in individual, interactive relationships.

- Systems for non-profit and membership-based organizations help track constituents, fundraising, sponsors' demographics, membership levels, membership directories, volunteering and communication with individuals.
- CRM not only indicates to technology and strategy but also indicates to an integrated approach which includes employee's knowledge, organizational culture to embrace the CRM philosophy.

### **Effect on customer satisfaction**

The implementation of a CRM approach is likely to affect customer satisfaction and customer knowledge for a variety of different reasons.

1. Firstly, firms can customize their offerings for each customer by accumulating information across customer interactions and processing this information to discover hidden patterns, CRM applications help firms customize their offerings to suit the individual tastes of their customers. This customization enhances the perceived quality of products and services from a customer's viewpoint, and because the perceived quality is a determinant of customer satisfaction, it follows that CRM applications indirectly affect customer satisfaction.
2. CRM applications also enable firms to provide timely, accurate processing of customer orders and requests and the ongoing management of customer accounts.
3. Both an improved ability to customize and reduced variability of the consumption experience enhance perceived quality, which in turn positively affects customer satisfaction.
4. Furthermore, CRM applications also help firms manage customer relationships more effectively across the stages of relationship initiation, maintenance, and termination.

### **Improving CRM within a firm**

Consultants argue that it is important for companies to establish strong CRM systems to improve their relational intelligence. According to this argument, a company must recognize that people have many different types of relationships with different brands. Some customers view themselves as friends of the brands, while others as enemies, and some are mixed with a love-hate relationship with the brand. Some relationships are distant, intimate, or anything in between.

1. **Analyzing the information:** Managers must understand the different reasons for the types of relationships, and provide the customer with what they are looking for. Companies can collect this information by using surveys, interviews, and more, with current customers. Companies must also improve the relational intelligence of their CRM systems. These days, companies store and receive huge amounts of data through emails, online chat sessions, phone calls, and more. Many companies do not properly

make use of this great amount of data, however. All of these are signs of what types of relationships the customer wants with the firm, and therefore companies may consider investing more time and effort in building out their relational intelligence. Companies can use data mining technologies and web searches to understand relational signals. Social media such as social networking sites, blogs, and forums can also be used to collect and analyze information. Understanding the customer and capturing this data allows companies to convert customers' signals into information and knowledge that the firm can use to understand a potential customer's desired relations with a brand (Avery,2014).

2. **Employee training:** Many firms have also implemented training programs to teach employees how to recognize and effectively create strong customer-brand relationships. Other employees have also been trained in social psychology and the social sciences to help bolster strong customer relationships. Customer service representatives must be educated to value customer relationships and trained to understand existing customer profiles. Even the finance and legal departments should understand how to manage and build relationships with customers.
3. **Be social.** “Integrate your CRM with social media platforms if it’s not already built into the system. Social CRM involves the use of social media and technology to engage and learn from consumers. Because the public, especially young people are increasingly using social networking sites, companies use these sites to draw attention to their products, services and brands, with the aim of building up customer relationships to increase demand. With the increase in the use of social media platforms, integrating CRM with the help of social media can potentially be a quicker and more cost-friendly process.

Some CRM systems integrate social media sites like Twitter, LinkedIn, and Facebook to track and communicate with customers. These customers also share their own opinions and experiences with a company's products and services, giving these firms more insight. Therefore, these firms can both share their own opinions and also track the opinions of their customers

#### **4. Business-to-business transactions**

Despite the general notion that CRM systems were created for customer-centric businesses, they can also be applied to B2B environments to streamline and improve customer management conditions. For the best level of CRM operation in a B2B environment, the software must be personalized and delivered at individual levels. The main differences between business-to-consumer (B2C) and business-to-business CRM systems concern aspects like sizing of contact databases and length of relationships.

**Mobilize.** “A cloud-based CRM that offers mobile capabilities allows users to easily keep track of customer interactions and manage leads, proposals, opportunities, projects and files from



any device, at any time,” says Smith. “For companies with employees that are consistently in and out of the office, this can improve effectiveness and productivity.

**How Can a Company Continue to Improve?**

First, review and reinforce the company’s mission, culture and values: The mission statement must specify the contribution the company aims to make to its customers, employees and society at large. Ideally, as we said, it will include a combination of extrinsic, intrinsic and transcendent motives. Sudden changes in the mission are to be avoided, as they may lead to confusion and disorientation among employees and customers. The mission must be known by all employees and must guide their daily decision making and activities. Internal channels must be available to communicate the mission, so that it is internalized and becomes a criterion for decision making. An organization’s culture is “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”. Second, reconsider and, if necessary, redesign the CRM strategy; A company’s relationship-building strategy is part of its marketing strategy. A strategic decision is one that sets long-term objectives, commits resources, is difficult to revoke, and which cannot be changed without incurring a penalty in terms of image or economic cost. Every strategy is a choice of what the company does not want to achieve; a deliberate rejection of possible objectives. Resource limitations make it necessary to limit the scope of action. A relationship-building strategy must define where we want to get to (what we want to achieve), how we are going to get there, and why we believe we shall succeed; how we are going to be better than our rivals; what our competitive advantage is going to be; how we are going to position our CRM program; what value proposition we are going to use to connect with our customers and keep them actively involved over time.

Third, improve the management of each of the various relationship activities: There is a major gap in research about how to manage CRM activities, which is the daily battlefield of the people who actually run CRM programs and the meeting point between the company and its customers. Specifically, companies need to establish methods, processes and organizational structures to ensure that their CRM activities are conducted effectively.

Lastly, review and, if necessary, improve the quality of execution by managing human resources and acquiring the technological and financial resources to implement the strategy and the associated relationship-building activities: Deciding whether the member’s magazine should be sent quarterly or half-yearly, for instance, against payment or free of charge, is one thing. Making sure that each issue arrives on time and has attractive content, responding to complaints, compiling all this information in the CRM system, negotiating agreements with partners, etc. is quite another. It should also be born in mind that all this needs a proper oversight. If a company already has a CRM program in place, opportunities to improve may arise at any moment.



### **Eight Keys to Relationship Marketing**

1. Ensure excellence at a transactional level: customers must be reasonably well satisfied in each transaction with the company. If the basic transactional process doesn't work, it's going to be difficult to build a satisfactory relationship.
2. Implement the relationship strategy gradually: it's not a good idea to offer a wide range of relationship activities from day one.
3. Create genuinely two-way relationships: the benefits (for the company) of creating and running the program and the benefits (for customers) of maintaining a relationship with the company must be greater than the costs.
4. Neutralize relationship hindrance: the company must try to minimize the costs to the customer of establishing and maintaining the relationship.
5. Create virtuous circles: as the program proceeds and customers' knowledge and satisfaction increases, the company must customize its offers and after-sales service, further enhancing satisfaction and receptivity to the company's advertising messages.
6. Top management support: from the word go, and throughout the program.
7. Multi-channel approach, so that customer contact channels are integrated.
8. No false assumptions, e.g. that satisfied customers are necessarily loyal, or that loyal customers are necessarily profitable.

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