CUSTOMER RELATIONSHIP MANAGEMENT OF LOGISTICS COMPANY

Dr.P.Asokan

Controller of Examinations, Thiruvalluvar University, Vellore - 632 115

Abstract

CRM systems have appeared on market in response the need for change the approach to business management. Customers who have obtained greater access to information about the offer of individual companies began to pay attention to quality of the product, its price and package of accompanying services. Organization management is no longer relying solely on acquisition and resale of products. Company wishing to stay on the market was forced to turn towards the customer. The key argument in this regard was to present to the proposed acquirer an offer which will correspond to the maximum extent of his expectations. Implementation of CRM is not limited to the purchase of appropriate software. It is a process that requires major changes in the organization. Keywords: CRM system, logistic, customer relationship management.

Introduction

Placing on the market CRM software solutions has been associated with desire to changes in approach to marketing. As affirmed D. Peppers and M. Rogers, "Do not try to sell a product up to a large number of customers. Rather, you should try to sell a customer a high quantity of products over a long period through a various product lines. To accomplish this is necessary to focus on the creation of unique relationships with individual customers based on a 1:1 basis. The sphere of customer contact was interest in once the sales carried by individual sellers no supported by company has begun to bear increasingly poorer results. Resulted from the fact new approach of customers to offered goods which in turn was due to easier access to products characterized by the same functional properties and information about them. The customer looking for a specific product or service was able to compare offers in a short time.

Sales carried out in new reality require offering customers products and services responding to their needs, at the least possible price. It was found that seller should require access to the large amount of information about the customer, and his activities should control and coordinated. Conception of management addressed to customer needs was established earlier than its implementation systems. This resulted from the lack of knowledge management theorists about the possibilities of information tools. It should also be noted that trimmed down CRM systems possibilities, had a standard ERP systems available at the time of the introduction: a central customer database, update records, integration of the sales department with management and accounting. However, it have been rarely used in a proper manner, inter alia due to the number of available functions

system, as well as restricted access for employees in sales and marketing departments. ERP systems were originally designed only for senior management of organization.

CRM (Customer Relationship Management) is a strategy of the enterprise based on the customer relations. There are many different definitions of CRM which are different due to the scientific domain, represented by authors. And so, otherwise the issue of CRM is considered by economists, paying special attention to formation of long-term customer contact as a factor in the cost saving associated while increasing organization profitability. IT professionals treat CRM primarily as an information tool to support management customer service. In theirs interest are information systems, communication technologies, databases, etc. There are also definitions, which the authors are aware of the fact that CRM is a combination of human factors and information communicative technology.

Benefits and Threats of Implementation CRM in Organizations

The functioning of organizations based on CRM requires the collection and storing of all customer information in order to exploit the acquired knowledge for optimization its service processes. True values are only complete information about customer, not just selectively stored in database. An equally important issue is to provide access to the same data for all employees involved in customer service. The successful implementation of CRM can achieve benefits both the organization and its customers. The quality of cooperation is affected by: profitability, turnover, duration, participation in the customer's shopping basket, the strength of cooperation, a positive opinion about the form of cooperation, qualification resulting from cooperation. Effective customer focus also means to work with the customer to achieve a mutually satisfactory and sustainable solution that respects sustainability principles among suppliers, employees and customers.

Issues related to implementation of CRM to an organization often result from a conviction that it is sufficient to develop appropriate strategy, targeted to satisfy the needs of the customer and buy supporting software. In fact, the strategy is only an action plan, and the software is an assisting tool. The main in the implementation process is to revise the entire organization, including changes in approaches among employees, to contact with customers, particularly those who have direct contact with the customer. These changes are associated with overcoming the fear of the new, as well as the adoption, acceptance and commitment to an employee at new direction of company management.

CRM Areas

Complex CRM system is composed of three areas: CRM analytics, interactive (also called communication), and operational. Analytical area is responsible for analyzing data collected about customers, the operating area is responsible for collection of data, and the

area of communication performs activities directly related to relationship employees with the customer, as well as transferring data to a central database.

Operational CRM is derived directly from the SFA systems (Sales Force Automation), sales departments' automation. It performs tasks contacts at the B2C level (Business to Consumer) and B2B (Business to Business). The major actions includes among others: customer relationship management, preparation of bids, taking orders, create forecasts, customer segmentation, distribution of areas of interest for representatives, management of information about the sales opportunities, data processing, support orders, define tasks for the respective sales cycles . Information's generated by the operational CRM are: the parameters related to the execution orders (expected date of implementation, dispatch costs, discounts and taxes), the parameters defining the salesmen work (required turnover, margin, sales cycle length, and salary), and parameters for contract management (tracking, approval, implementation, any renewals, and bulk operations). The most important tasks an interactive CRM is synchronization and automation of customers contact channels. Analytical CRM is used to create various types of analysis and collation. Shall be exchanged here: multi-dimensional customer segmentation, customer value analysis, analysis of customer loyalty, customer satisfaction analysis, analysis of events affecting the companycustomer relationships, an analysis of promotional campaigns.

CRM in Polish Enterprises - Research Results

In 2013, the Central Statistical Office conducted a survey among Polish companies to indicate what percentage of companies use CRM software. Enterprises were divided by size to: small (10 to 49 employees), medium (50 to 249 employees) and large (more than 250 employees). The purpose for which CRM software is used was also examined: collecting, storing information about clients and provide them access to other cells, to analyze customer information for marketing purposes. Analyzing the results should be noted that in any treatment group the percentage of companies using CRM software did not reach 50%. The best result was obtained in large companies as regards the collection and store information about customers - 46.40%. This function is also indicated at most medium-sized enterprises - 26.20% and small - 12.70%. CRM software was less commonly used for analysis of customer information, respectively: 34% of large companies, 20.60% medium, 10.30% small companies. Information obtained at the CSO survey results may be at some inflated, which is connected with the fact that many companies declaring possession of the CRM software is in fact deployed only with systems to: support the functionality to customer service, but not having the full capabilities of CRM.

The most frequently features, indicated at enterprise covered by the CRM software, include collecting data about customers, planning and verification actions of traders. It

declares them respectively 97% and 90% of companies that have implemented CRM. Smallest apply: registration of advertising requests and complaints - 48% and managing commercial documents - 45%.

Problems that occur during the implementation process of CRM systems have the most impact to: achieve the intended investment effects - 46% of respondents. In second place in this regard came in effect to the realization time (schedule) of the project - 28%. From the presented results can be seen that, according to surveyed employees who have or had a direct connection with the implementation of CRM is the least endangered his own expense - 26%. Analyzing obtained results should be noted that the most sensitive area shown does not necessarily and not always be taken into account in the design documentation in detail characterizes investments in CRM solutions.

In contrast, the timetable for implementation and estimated cost must be in the documentation. On this basis it is possible to determine that the identification of expected results should be a constant element to preparing of implementation design phase.

This should contribute to increasing the number of successful CRM implementations. The issue of determining the expected effects is particularly important with respect to implementations based on the purchasing a standard solution. Decision makers when deciding about purchasing ready-made CRM are convinced that the functionality that it has will respond to the needs of organization. Only at review stage and the initial period of operation, it appears that purchased system does not meet the expectations of final users, is not completely suited to the specifics of company.

Conclusions

CRM systems appeared at the time when the approach to marketing has changed. Companies have recognized that due to the fact, inter alia, the growing number of commercially available products with the same destiny, very similar parameters and ease of customer access to them, functioning based on the producing a maximum high quantities of goods is no longer deliver the expected results.

The importance was taken by actions to bring customer closer to the company and those that will tightening mutual cooperation. In connection with the main purpose of marketing has become an acquisition of new customers, but also the placing to their tender new factors that distinctive it from competitors offer. The objective in the new reality has become provide customers with access to goods offered at the lowest possible price, corresponding to their needs and having the most attractive package of accompanying services. This package include: the quality of customer service and execution speed of the contract. Cannot be also forgetting about the quality of offered goods that should not raise any objecttions. Such understood customer service affects practically all organizational

units of the company. Logistics operations also have a large share. Responsible for organizing and conducting the flow of goods, logistics service must ensure that the goods can reach a customer in a specific - the earliest opportunity. This involves the organization of processes in supply area, storage and final distribution. This issue is even more important that companies due to cost savings are seeking to minimize the held quantities. Because of that, the implementation of order requires the optimization of procurement processes, and cooperation with suppliers. Ensuring the highest possible customer satisfaction requires the optimization of management in all aspects of the logistics chain.

According to studies on the effects of problems, occurring during the implementation of CRM software, it can be concluded that most negatively they affect to achievement of the investment outcomes, much less frequently contributes to extending its duration, and increasing costs. It should be noted that the definition of the intended effects is not a necessary component of investment design documentation, which in light of the results seems to be a mistake. According to respondents, the greatest impact on achieving your intended effects has the management and final users. Much less of an impact are: project manager, IT, and software vendors.

References

- 1. Anand Tamana (2008), "Organized Retailing in India Need of the Hour", Marketing Mastermind, February. p.p. 28-30.
- 2. Banerjee Arindam (2002), "Roadmap for Successful CRM Implementation", Indian Management, July. p.p. 48-52.
- 3. Dixit Kavaldeep (2008), "Retail Marketing in Indian Key Issues and challenges" Marketing Mastermind, February. p.p. 13-23.
- 4. Diyan Kishore (2007), "Lure of Huge Consumer Base", The Hindu. p.p. 285-289.
- 5. Gibsn G. (2007), "Modern Retailing Comprehensive Policy Vital", The Hindu, p.p. 281-284.
- 6. Pahuja Anurag & Verma Rajesh (2008), "Customer Relationship Management Need of the Hour", Marketing Mastermind, January. p.p. 26-29.
- 7. Puneeet Shweta (2008), "Technology The Heart of Organized Retail", Marketing Mastermind, May. p.p. 45-48.
- 8. Sunder K Shyama & Dr. Ramji (2000), "Coming Closer to the Customer", Indian Management, December. p.p. 49-51.