

CUSTOMER RELATIONSHIP MANAGEMENT

Strouse, Karen G.(2004).
” Customer-Centered
Telecommunication
Services Marketing”.
Artech House. London
Chapter 12

INTRODUCTION

- CRM → general process of managing the various interactions a customer has with a service provider
- Customer service, customer care with the help of the CRM system as the automation support

CRM

- The fundamental knowledge of customers' needs and include all functionalities necessary for the acquisition, enhancement, and retention of a relationship with a customer.
- It is about customer service and support, whether storefront, telephone, Web, or field service.
- It is also about retention management, cross-selling, up-selling, and direct marketing for the purpose of selling to customers.

CRM

- Includes ;
 - the collection of customer information and its application to personalize, customize, and integrate delivery of service to a customer,
 - to identify opportunities for increasing the value of the customer to the enterprise.
- Applies to both conventional retail customer interactions & to wholesale interactions, such as when an enterprise is selling to another enterprise that is acting as the retailer.

CRM

- This system often includes workflow data for customer support processes, such as trouble ticketing and change requests.
- CRM systems are most commonly used by Customer Support Representatives (CSR) in call centers, but may also have Web-based front-ends for customer self-service

CRM

- Holistic process, governed by information technologies, focus on ;
 - creating two-way communication with customers
 - organizations have an intimate knowledge of their needs, wants, and buying patterns.
- Helps companies understand & anticipate, the needs of current and potential customers. Critical business processes are transparent to the decision makers in the organization.

FOUNDING ABOUT CRM

- Customer services can consume up to 20% of a service provider's operating expenses
- Less than half of telecommunications customers believe that their service provider really cares about customers
- Less than half of customers actually prefer their own service provider to other brands in the sector
- Only about 4 in 10 customers believe that they get “excellent” or “good” value from what they pay for their telecommunications services

FOUNDING ABOUT CRM

- 68% of customers had left a service provider because the poor treatment they received.
- The implementation problems : resistance to change, integration with existing systems, and the cost.
- Failure to agree on the objectives of the system, and a concern about commitment by senior management
- Focused more on the adoption than on the technology itself

FOUNDING ABOUT CRM

- CRM implementation focused more on the adoption than on the technology itself
- Synchronized deployment,” with three distinct disciplines:
 - Process engineering - link between people and processes.
 - Digitization integrates the service provider’s business processes with the CRM technology.
 - User engagement links the people in the organization with the CRM technology

CRM SYSTEM

- Perform analyses on customer data such as
 - usage and billing information,
 - demographic profiles,
 - payment patterns,
 - purchasing history,
 - profitability
- Focus on CRM development ;
 - customer retention or profitability,
 - emphasize intersystem compatibility,
 - promote the system's availability to employees and partners through intranets.

CRM SYSTEM

- Include tools that conduct ;
 - sales force automation,
 - Callcenter support,
 - business intelligence and analytics,
 - product and market management,
 - order management,
 - service life cycle management,
 - marketing campaign management support.

CAUSE of CRM FAILURE

- mismatched expectations between the target (gain competitive advantage and revenue growth VS cost control and productivity)

CRM from Customer's View

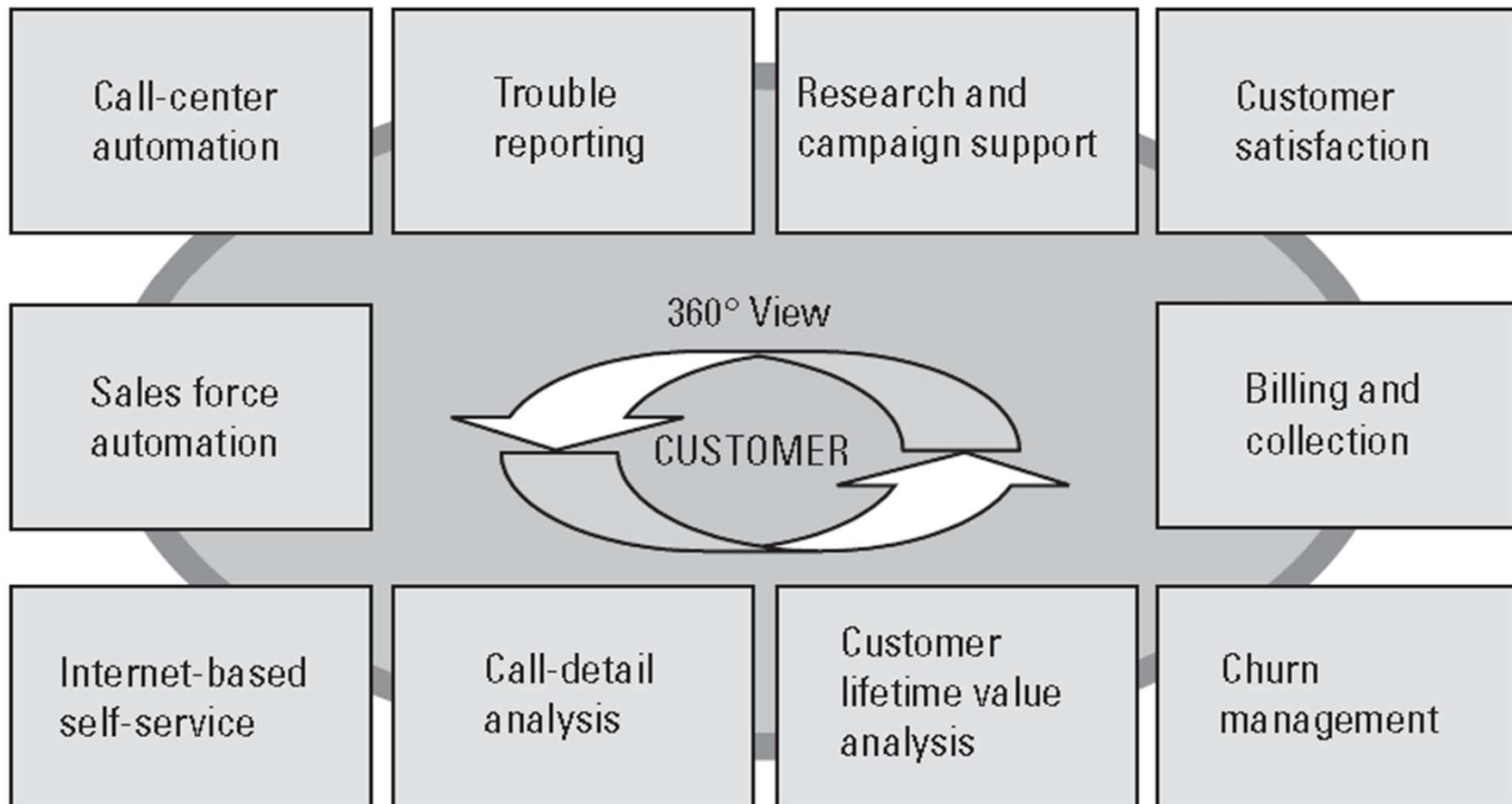


Figure 12.2 CRM process support.

CRM RISKS

- Measureable success – 16%
- Technology failure – 12%
- Adoption failure – 47%
- Benefit failure – 25%

BILLING SYSTEM

- Importance of billing system ;
 - Interact with a subscriber each billing period
 - Customer's record is a trove of valuable and proprietary marketing data
- Billing is one of the key performance in satisfying customer
- Peppers & Rogers Group claims that 70% of calls to the service provider's contact center are billing related

BILLING SYSTEM

- Accurate and easy to understand is the key
- Some ideas to improve their billing practices ;
 - Online / email
 - Customize
 - Credit/debit payment
 - Downloadable track record
 - Informative & Reviewable
 - Range of time
 - Quick response for the inquiry
 - Segmented

BILLING SYSTEM

- Call-detail records can ;
 - Evaluate the impact on calling behavior of pricing changes, marketing initiatives, and network performance.
 - Isolate segments that would be receptive to campaigns targeted to the destinations they call, the times they call, or the type of calls they make.
 - Provides insight into the customer's preferences
 - Provide early detection of fraud against a customer's account

CUSTOMER SELF-SERVICE

- Some research consider self-service a “very important” or “critical” priority.
- Self-service is almost always Internet-based

CUSTOMER SELF-SERVICE

- Type of self-service ;
 - Updated frequently question & ask
 - Automated e-mail responders
 - Customer knowledge base,
 - Frequently send related information
 - How-to guide
 - Forum & memberships
 - Official website/portals (e-commerce)

CUSTOMER SELF-SERVICE

- Self-service benefits include ;
 - Accurate and timely information,
 - Increased accessibility,
 - Improved business solutions,
 - Integrated solutions,
 - Automated troubleshooting,
 - Increased and faster access,
 - Targeted problem resolution,
 - Targeted product and service information

CUSTOMER SELF-SERVICE

- Self-service benefits include ;
 - Increased customer satisfaction and retention,
 - Increased intelligence about customers,
 - More selling opportunities and revenue,
 - Lower offline interactions and administrative costs,
 - Reduced call-center costs,
 - Improved process integration & efficiency,
 - Competitive differentiation,
 - Consistency in the level of service

CUSTOMER SELF-SERVICE

- Self-service challenges ;
 - Customer can't use internet
 - Customer don't trust the solutions
 - Double channel used
 - Delay in response (time)

ONE TO ONE MARKETING

- Each customer undergoes a completely personalized experience in dealing with the service provider
- Highly customized, personalized interaction with customer
- Personal touch
- Marketing strategies applied directly to a specific consumer

ONE TO ONE MARKETING

- Based on four main steps to fulfill its goals :
 - Identify,
 - Differentiate,
 - Interact
 - Customize

Is Your Company Ready for One-to-One Marketing?" Harvard
Business Review, January–February 1999,

ONE TO ONE MARKETING

- Identify → get to know the customers, to collect reliable data about their preferences and how their needs can best be satisfied.
- Differentiate → to distinguish the customers in terms of their lifetime value to the company, know them by their priorities in terms of their needs and segment them into more restricted groups.

ONE TO ONE MARKETING

- Interact → to know by which communication channel and by what means contact with the client is best made.
- Customize → to personalize the product or service to the customer individually.

ONE TO ONE MARKETING

- Telco provider can adopt one to one marketing ;
 - Customer using their account to contact company
 - Company collect consumer behavior data
- Service providers striving for intimacy with their customers need to demonstrate that they are responsible with the information they capture and maintain