

## **DEPARTMENT OF MANAGEMENT STUDIES**

### **A workshop on Customer Relationship Management**

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**By**

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Department of Management Studies has conducted a guest Lecture “Mrs .Divya Vayakar, Mukunda foods, Bengaluru, speaks on the aims and objectives of the program. This session is inaugurated by Dr. K.T.V.Rao, HoD of Department of Management Studies. In this workshop she covered the following.

Today, CRM plays the pivotal role for strategic position of an organization. CRM focuses on the integration of customer information, knowledge for finding and keeping customer to grow customer lifetime value. It also has an important role to help organizations to keep their customers and to make them loyal. Organizations should know the reasons of leaving customers and finding the ways of keeping them (Raghu Rama krishnan, 2005) [14].

Therefore CRM role is more important in customer retention and by regarding the importance of CRM, the analysis of CRM seems to be necessary. II. BACKGROUND CRM comes in 1980. In an early stage of development it was similar to Customer Information System (CIS). The first generation of CIS had single function solution for supporting specific employees.

These days CIS has been ripen to CRM, Real CRM began early of this century. CRM improved in recognizing the customers' needs and behaviours. Advanced solutions were flexible for different industries and they were feasible to use data and information in dynamic way. Flexibility of Internet makes easy relationship between sales, marketing and customer service. CRM developed new strategies that accommodated work between understanding, sharing information and goes to increased customer satisfaction. CRM can get more advantages from high technology corporations, financial services and telecommunication industries. Financial services can track the level of customer satisfaction, changing habits on buying and make a feedback to the organizations. One of the companies that released Global CRM was Oracle in 2002.

## PEST ANALYSIS PEST

Analysis can be categorised into four categories which are: Political, Economic, Social, and Technological forces.

### A. The Political Factors

- 1) CRM for e-government concentrates on the requirements of people who use government online services. Public entities are offering their clients a host of a large number of online options, including medical aid, passport.
- 2) One of the main functions of CRM is gathering customer data so it can present security risks when it is used for e-government; hence CRM application providers should pay more attention to the security aspect during implementing the CRM applications. Especially the data of governments are more sensitive.
- 3) Global competitors across the globe with technological innovations affect the CRM application to more understanding of global customer's needs for having strong relationship with them. This type of relationship is different as relationship in domestic market so CRM can be affected by different cultures, huge data and so on.
- 4) Sometimes governments' laws stop the businesses from keeping all client information (such as Social Security Number, Home Number, etc.) at an external location so it can affects CRM due to limitations to use the customers' personal data.
- 5) In some situations like involving governments in trading agreements such as OPEC, ASEAN or others the customer relationship management should follow some exceptions.

## B. The Economic Factors

- 1) In lower economic performance, organizations or governments need CRM more than others.
- 2) Today economy is driven by buyers not sellers. There are various types of customers, selling strategies and business models. So CRM should be changed during time to support these models
- . 3) CRM is more sensitive to rapidly changing market conditions and elasticity in price.
- 4) The budget of organization also should be considered during making CRM applications; more expensive application can be used only in very large organizations so different types of applications are needed for different budgets.
- 5) Decreasing in the number of impressive CRM plans results end users asking for more interest in software as a service, more supplier assurances and lower prices.
- 6) These days lots of businesses tend to contract out CRM. At times, cost becomes the driving factor in outsourcing CRM systems.
- 7) Low or high foreign exchange position can decrease or increase the power of buying; so it has direct effects in market situation especially international market.

## C. The Social Factors

- 1) Lifestyles: Different life-styles can be used for developing promotion campaigns, product positioning and market segmentations. Hence it has direct and indirect impacts on CRM

