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20MBM308 CUSTOMER RELATIONSHIP MANAGEMENT L T P C 3 0 0 3

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CO1 UNIT I INSIGHT INTO BASICS OF CRM 9

CRM – Introduction, Definition, Concepts, Scope, Benefits, Levels, Types. Tools for CRM. Acquiring customers – Customer Intelligence, Customer loyalty and optimizing customer relations.Life time value of the customer, Service Level Agreements – Creating and Managing SLAs.

CO2 UNIT II UNDERSTANDING CUSTOMERS
9

CRM in Marketing – One to one Relationship Marketing – Cross Selling & Up Selling. Customer Retention, Behaviour Prediction – Customer Profitability & Value modeling – Channel Optimization, CRM for - Event based marketing, Call center. Customer Satisfaction Measurement.

CO 3 UNIT III CRM DATA STRUCTURES
9

CRM links in e-Business - E-Commerce and Customer Relationships on the Internet - Enterprise Resource Planning (ERP), - Supply Chain Management (SCM), - Supplier Relationship Management (SRM), - Partner relationship Management (PRM).

CO4 UNIT IV CRM DATA AND ANALYTICS 9

Analytical CRM – Managing and sharing customer data, CRM Metrics, Customer information databases - Ethics and legalities of data use - Data Warehousing and Data Mining concepts - Data analysis - Market Basket Analysis (MBA), Click stream Analysis, Personalization and Collaborative Filtering. Real-world applications. Implications – for organizations and the future CRM implementation and effectiveness –Management of Relationships

CO5 UNIT V CRM TOOLS 9

Sales Force Automation – Sales Process, Activity, Contact-Lead and Knowledge Management, Field Force Automation. Journey Orchestration, Omni Channel, Team Collaboration, CRM

Implementation - Defining success factors - Preparing a business plan requirements, justification and processes. - Choosing CRM tools - Defining functionalities - Homegrown versus out-sourced approaches - Managing customer relationships - conflict, complacency, Resetting the CRM strategy. Selling CRM internally - CRM development Team - Scoping and prioritizing - Development and delivery - Measurement.

TOTAL HOURS: 45

COURSE OUTCOMES

1. Remember basic concepts of Customer Relationship Management
2. Understand and gain insight into CRM functions.
3. Apply strategy of CRM in organization
4. Analyze appropriate marketing strategy through CRM
5. Evaluate and implement appropriate CRM for product delivery.

TEXT BOOKS

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2. Jim Catheart, The Eight Competencies of Relationship selling, Macmillan India, 2005.
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CO-PO MAPPING

	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	PO 7	PO 8	PO 9
CO1	2	2	2	-	3	3	-	2	3
CO2	2	1	1	-	3	-	3	3	3
CO3	1	2	-	-	3	3	-	3	3
CO4	2	2	1	-	3	-	3	3	3
CO5	1	2	2	-	3	2	3	3	3

UNIT I

INSIGHT INTO BASICS OF CRM

Customer relationship management (CRM) refers to the principles, practices, and guidelines that an organization follows when interacting with its customers.

Benefits of CRM

A CRM system helps businesses organize and centralize their information on customers, allowing for easier access and customer support. 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.

Types of CRM

Today, many comprehensive CRM platforms integrate all parts of the customer relationship the business may have. However, some CRMs are still designed to target a specific aspect of it:

- 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. These CRMs provide real-time statistics and can use A/B testing to optimize strategies.
- 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.

CRM marketing tools

CRM tools for marketing are designed to help you find and nurture higher-quality leads. These CRM tools can automate time-consuming marketing processes such as events, email nurture campaigns, and paid media advertisements and provide greater visibility into the customer's journey from prospect to lead.

CRM marketing tools work best in tandem with CRM sales tools on a unified CRM platform, which enables the tools to share common data that updates automatically. This keeps everyone in the organization on the same page and makes sure each member of the sales and marketing team is operating with accurate data. The result is better collaboration, higher lead conversion rates, and more effective customer engagement.

CRM customer service tools

It helps you interact with customers across multiple channels. In addition to facilitating these interactions, these CRM tools record and add them to the customer's history to create a comprehensive view of the customer. This makes it possible to ensure a high-quality customer service experience while guiding customers to a resolution more quickly.

When combined with sales and marketing CRM tools, CRM customer service tools provide a true end-to-end view of the customer: How the customer was acquired, what they purchased, and everything that's happened since their first transaction. From that customer's initial interest in a

product or service all the way through purchase and beyond, every step in the customer journey is accessible and useful for future interactions with that customer. In addition to providing a better customer service experience, a unified CRM platform makes sure customer data is accessible and useful for supporting future sales or service requests.

Sales Tools

Sales teams, field sellers, inside sales, and sales managers use CRM sales tools to support the sales cycle. These tools compile reports and analytics and enable you to act on customer data such as demographics, engagement, and purchase history. Advanced CRM sales tools also provide recommended actions and insights to help you find, engage, and build relationships with the right customers.

Sales and marketing teams with CRM tools on a unified platform can adjust customer outreach strategies in real time based on accurate data that shows what is driving sales. Visibility into the customer journey from start to finish also makes big-picture strategizing easier and more effective with key performance indicators (KPIs) based on the same data.

Customer acquisition channels

- The company website.
- The company blog and other content marketing activities.
- Email marketing.
- Events and field marketing booths.
- Social media.
- Paid ads (print and digital, like the Google ad or Facebook ads you might see online)

- Sales calls.

Step 1: Generate brand awareness

The first step to acquiring new customers is awareness, which refers to how familiar prospects and customers are with your brand.

Audience response to brand awareness tactics provides clues into what resonates with them. You can collect these clues within a CRM and use them to deliver a personalized customer experience, starting from the very first point of contact.

Step 2: Acquire leads

Introducing your company to potential customers is only the beginning. To start turning awareness into engagement, encourage users to take the next step.

When customers interact with your brand, each interaction becomes a source of data that can be stored in a CRM and used to improve touchpoints later. When you build an understanding of customers, you'll be better equipped to meet their expectations and provide superior experiences.

Step 3: Leverage CRM data to convert leads into customers

Once you've successfully engaged potential buyers, it's time to start turning those leads into customers. If leads seem interested but haven't made a purchase, you can leverage engagement data stored in your CRM to provide personalized offers that will help build trust and nurture them toward purchase. You can also apply lead scoring to focus your efforts on the right leads and identify winning opportunities.

Step 4: Build strong customer relationships

The CRM planning process doesn’t stop after leads convert to customers. In-depth customer knowledge that supports loyal relationships goes beyond the point of sale to promote ongoing success.

By the same measure, your customer relationship management process continues to increase retention by providing personalized experiences that meet and exceed customer expectations.

Step 5: Sell more to your current customers

Past purchase data held in a CRM can help companies identify opportunities to upsell and cross-sell to current customers, either products they’ve bought before or new products that may be interesting to them, based on previous purchase behavior.

Customer intelligence

(CI) is the collection and analysis of large amounts of data that organizations use to determine the best, most effective ways to interface and interact with their customers.

Customer intelligence allows marketers to collect and merge data between all channels and devices to effectively understand what's working, what isn't and how best to optimize their campaigns for the future and improve the ROI of marketing efforts across the board.

Optimizing customer experience comes in many forms, including:

- Meeting customer expectations.
- Increasing customer engagement.
- Surprising users (in a good way)
- Individualized or personalized experiences.
- Helping users navigate to where they want to go more quickly.
- Providing novel or new experiences.
- Speeding up transactions.

Customer lifetime value (CLV or CLTV) is a metric that represents the total net profit a company can expect to generate from a customer throughout their entire relationship. It takes into account the customer's initial purchase, repeat purchases, and the average duration of their relationship with the company.

Service level agreements (SLAs) are a formalized method to help organizations meet service levels when they provide customer service and support. For example, an organization can have an SLA to complete the first customer response within 48 business hours after a case is created

The output received by the customer as a result of the service provided is the main focus of the service level agreement.

Service level agreements are also defined at different levels:

- Customer-based SLA: An agreement with an individual customer group, covering all the services they use. For example, an SLA between a supplier (IT service provider) and the finance department of a large organization for the services such as finance system, payroll system, billing system, procurement/purchase system, etc.
- Service-based SLA: An agreement for all customers using the services being delivered by the service provider. For example:
    - A mobile service provider offers a routine service to all the customers and offers certain maintenance as a part of an offer with universal charging.
    - An email system for the entire organization. There are chances of difficulties arising in this type of SLA as the level of the services being offered may vary for different customers (for example, head office staff may use high-speed LAN connections while local offices may have to use a lower speed leased line).
- Multi Level SLA: The SLA is split into the different levels, each addressing different sets of customers for the same services, in the same SLA.

- Corporate-level SLA: Covering all the generic service level management (often abbreviated as SLM) issues appropriate to every customer throughout the organization. These issues are likely to be less volatile and so updates (SLA reviews) are less frequently required.
- Customer-level SLA: covering all SLM issues relevant to the particular customer group, regardless of the services being used.

- Service-level SLA: covering all SLM issues relevant to the specific services, in relation to this specific customer group.

Impact of SLA

A service-level agreement (SLA) is an agreement between a service provider and a customer. Particular aspects of the service – quality, availability, responsibilities – are agreed between the service provider and the service user. The most common component of an SLA is that the services should be provided to the customer as agreed upon in the contract. As an example, Internet service providers and telcos will commonly include service level agreements within the terms of their contracts with customers to define the level(s) of service being sold in plain language terms. In this case, the SLA will typically have a technical definition of mean time between failures (MTBF), mean time to repair or mean time to recovery (MTTR); identifying which party is responsible for reporting faults or paying penalty.

Outsourcing

Outsourcing involves the transfer of responsibility from an organization to a supplier. This new arrangement is managed through a contract that may include one or more SLAs. The contract may involve financial penalties and the right to terminate if any of the SLA metrics are consistently missed. The setting, tracking and managing SLAs is an important part of the outsourcing relationship management (ORM) discipline. Specific SLAs are typically negotiated upfront as part of the outsourcing contract and used as one of the primary tools of outsourcing governance.In software development, specific SLAs can apply to application outsourcing contracts in line with standards in software quality, as well as recommendations provided by neutral organizations.

Best Practices

- Create separate SLAs for each IT service you need to measure
- Do not create SLAs that cover all your organization's divisions
- Align SLAs with the customer's desired outcome
- Make SLAs measurable
- Review & adjust SLAs periodically
- Ensure SLAs account for usual & unusual exceptions

The four steps to relationship management

The four steps to moving your organization closer to a relationship

based management programme are:

1. Segmentation

2. Analyzing current behavior

3. Developing strategy to achieve target behaviors

4. Behavior maintenance.

By behavior we mean the buying or other behaviors of a customer, in relationship to the organization and its products and services. In beginning the process it is probably worth taking time to do an audit of all the systems, information, research, marketing knowledge,attractiveness, historical results from promotions and any other additional sources of data that may exist in your organization. Customer relationship management requires a holistic approach so that the information that is held about customers across the organization is drawn together in one central source or at least cross-accessed so that it can be compiled and collated. For example: information is probably held at an accounting level about customer transactions and appended to that may be a payment record. A different computer system may hold results of marketing activity for different customers or different customer groups. Another database may actually hold information on customer service queries or enquiries – times they may have phoned or contacted you for some question or other. This information needs to be carefully scoped and drawn together.

The Link between CRM and database marketing and the importance of customer value

Database marketing has traditionally allowed a company to identify and analyze segments of its customer population for valuable information that can be used to increase the impact of its marketing campaigns. The increasing availability of technology over the years has made it possible for companies to gather and analyze large amounts of data on their exist- ing and prospective customers and thereby develop rich customer databases. Customer databases helped identify groups of customers that were similar in identifiable ways. These groups of customers were then treated as segments, and separate marketing campaigns were recommended for these different groups. Direct marketers would send different mail- ers at varying times and frequencies to these different segments. However, technology now allows firms to not only capture customer data, but also to interact with the customer simultaneously. This provides the opportunity for firms to develop flexible customer-level responses. CRM leverages databases and modern communication technologies to this act on the basis of customer-level data. CRM takes the practice of database marketing principles to increasingly disaggregated levels, ultimately individual customers. Thus, CRM revolves around applying database marketing techniques at the customer level to develop strong, company-to-customer relationships. The use of information technology (IT) is critical to the successful implementation of a good CRM plan. However, the overarching framework of CRM includes much more than just databases and IT systems.

In the past, one of the main goals of marketing campaigns has been to increase customer loyalty to a product or service. The thought was that more loyal customers will do more repeat business and will develop a larger tolerance to price increases and therefore are more profitable to the firm. However, this is not always the case. A very loyal customer may also be an individual who repeatedly calls customer service with questions and is constantly hunting for the best price on a product, taking advantage of every rebate and sale offer. Ultimately, such an individual could actually be costing the company money rather than providing a source of profits. An important part of CRM is identifying the different types of customers and then developing specific strategies for interacting with each customer. Examples of such strategies are developing better relationships with profitable customers, locating and enticing new customers who will be profitable, and finding appropriate strategies for unprofitable customers, which could mean eventually terminating the relationship with customers who are causing a company to lose money.

The concept of customer value is critical to CRM. We define customer value as the economic value of the customer relationship to the firm-expressed on the basis of contribu- tion margin or net profit. Customer value is a marketing metric that is proving to be an important decision aid in addition to evaluating marketing effectiveness. A firm can both measure and optimize its marketing efforts by incorporating the concept of customer value at the core of its decision-making process.

Adoption of CRM with customer value at the core of its strategy helps us define CRM from a customer value perspective as follows:

CRM is the practice of analyzing and utilizing marketing databases and leveraging communication technologies to determine corporate practices and methods that will maximize the lifetime value of each individual customer to the firm.

A customer value-based approach to CRM can provide guidelines necessary to answer the following questions:

1. When does it pay to go after customer loyalty?
2. How do you link loyalty to customer profitability?
3. How do you compute the future profitability of a customer?
4. How do you measure customer lifetime value?
5. How do you optimally allocate marketing resources to maximize customer value?
6. How do you maximize the return on marketing investments?

MANAGING SLAs

Common Service Level Agreement Metrics

The details of individual SLAs will of course vary depending on the type of services a customer requires—and the metrics used to measure how well the customer and provider are meeting their service targets will vary accordingly. SLA metrics are associated with specific SLA objectives, which are essentially the reason why each metric is important. Here are a few of the most common metrics used to measure how service provider performance and quality is meeting customer expectations:

Abandonment Rate: the percentage of queued calls customers abandon while waiting for an answer.

Availability or Uptime: also referred to as system reliability. This is usually measured by the percentage of time a device has been working, or the percentage of time that provided services are operational and accessible to the customer.

Average Speed of Answer (ASA): the average amount of time required for the service desk to answer a call.

Business Results: the use of key performance indicators to calculate how the contributions of service providers affect business performance.

Defect Rate: the percentage of errors in deliverables. This can include everything from coding errors to missed deadlines.

First-call Resolution (FCR): the percentage of incoming calls resolved without the use of a help desk callback to finish resolving the case.

Mean Time to Recovery (MTTR): the time required to recover following a service outage.

Security: the number of antivirus updates or patches installed. Even if an incident occurs, (Managed Service Provider) MSPs can demonstrate they've taken preventative measures.

Time Service Factor (TSF): the percentage of queued calls answered within a defined time frame.

Turnaround Time (TAT): the time required to resolve a specific task or issue once the service provider receives it.

Beyond establishing the relevant performance metrics, SLAs can stipulate contingencies for how the services provider can remediate or compensate for potential contract breaches. The agreements will also include a force majeure clause detailing situations and events outside the service provider's control—such as natural disasters—interruptions of service won't be penalized.

One important thing for MSPs to remember when entering into an SLA is, when selecting metrics, it's vital to select the ones that will motivate desired behavior—both on the part of the customer and the services provider. This will ideally lead to both parties optimizing their processes to reach the target performance objectives.

Another thing to keep in mind is fewer metrics are usually better—a smaller number will provide a more manageable amount of data to analyze for performance assessment. Similarly, the SLA should favor metrics that can be easily collected and measured.

3 Rs of Customer Loyalty

- Relevance

- Recognition
- Rewards

Customer loyalty is an ongoing positive relationship between a customer and a business. It's what drives repeat purchases and prompts existing customers to choose your company over a competitor offering similar benefits. One way to look at loyalty is in the context of brand

How to build Customer Loyalty?

* Reward loyal customers with a loyalty program
* Make customer care a priority for the brand
* Boost customer experience by introducing VIP tiers
* Segment your clients
* Send event-based emails
* Optimize the business referral program
* Encourage customers to give feedback and act on it

Calculating Customer Lifetime Value

There are two ways of calculating CLV, depending on what data you have available.

1. Accumulated data method

If you have historical sales data, this method is far more accurate. It puts together all orders by individual customers to get their own real CLVs. In case your business has been operating for some time and you only now decide to start monitoring customer lifetime value.

Why Is CLV So Important?

CLV is at the heart of financially stable ecommerce businesses that can grow organically and sustainably. This is because CLV is long-term, repeating the benefits of better ROI and unit economics. It is an entirely different strategy than going for short-term sales. The problem is acquisition-based growth needs constant marketing spending and you only grow as much as you can spend - think Facebook ads and Google adwords.

1. It impacts the bottom line.

Your total customer lifetime value impacts your profitability. If you only work for conversions, relying on new customers, that requires you to pay the cost of acquisition every time, getting a smaller margin from each sale. Optimizing for CLV means getting repeat orders from customers you already acquired so no need to pay for them again. You would get the full profit margin of all orders after the first one, making up for the CAC you paid initially. Thus, your ROI increases.

2. It means a steady cash flow.

Getting repeat orders from existing customers brings in a healthy cash flow regularly into the business. So you don't need to worry about at least a part of your costs. It is easy to project and keep up with your payments when you know money is definitely coming in.

3. It lets you acquire more of your target customers.

When you know a customer will spend $100 instead of $10 with your business over the course of time, you can plan a different acquisition budget. You can spend more to reach the perfect target group. Maybe a competitor was outbidding you on keywords before or worked with big influencers you could not afford. In turn, the quality leads will probably turn into loyal customers, strengthening your brand and getting you high customer lifetime value.

4. It lets you grow.

With a bigger margin, you can reinvest more back into growing the business. Expanding overseas, developing new products or hiring sales consultants is more doable with the security of recurring revenue.

5. It means customers love your brand and products.

A high customer lifetime value indicates people shop a lot from you. They seem to be satisfied with the service and quality so your products must be good. And most importantly, they are brand loyal so you have a chance for growing even more. This is something investors love to hear, if you decide to seek funding.

Ways to Maximize Customer Lifetime Value

From the formulas for calculating CLV it is clear that increasing the customer lifespan, the order frequency and the order value will lead to an increase in CLV as well. Ideally, it all is the result of customer retention and brand loyalty, not just sales tricks. Here are a few ways to drive lifetime value while building a meaningful relationship with your customers.

1. Keep customers for longer.

Customer retention is about adding value for your customers, helping through your brand. So your marketing should inform, educate, inspire and relieve instead of sell directly. Send emails with information and various uses of the product bought to make them use it more effectively. Treat long-standing customers with special care. Use content marketing to entertain between orders. Segment customers by interests, tastes or preferences - whatever fits your products - and customize offers reaching them. Also, use feedback as a chance to connect, discuss, learn and improve - it keeps people coming back despite an occasional mishap. All these communications add to the shopping experience and strengthen customer’s trust in the brand.

2. Stimulate more frequent orders.

Sometimes it is hard to keep people coming back for years due to the nature of your products. For example, if you sell baby products, people will move out of your target group in about three years if they don’t have another child. So getting frequent orders is another way to drive customer lifetime value when the lifetime is not that long itself. Follow up browse abandonment sessions when they visit your site but don’t buy anything with tailored offers. Send reorder reminder emails so they don’t wake up to no coffee or no deodorant one day. You can even put little surprises in the boxes to make every order exciting. Coupons for next order are also great to speed things up.

3. Push for bigger order values.

Bundles easily make bigger basket sizes because they are a deal. A simple analysis can tell you what products people buy together to bundle up for a desirable offer that makes sense. Another way is to offer freebies with orders over a certain value as a token of appreciation. Last, categorizing products by use or occasion, not just kind, might help people discover various accessories and complimentary items to make their life easier.

Slideshare Content Link

https://www.slideshare.net/slideshow/customer-lifetime-value-ppttt/36135726

UNIT II

UNDERSTANDING CUSTOMERS

CRM in Marketing – One to one Relationship Marketing – Cross Selling & Up Selling. Customer Retention, Behaviour Prediction – Customer Profitability & Value modeling – Channel Optimization, CRM for - Event based marketing, Call center. Customer Satisfaction Measurement.

One-to-one marketing

It is a strategy that tailors all promotions and types of communication such as email, direct messages and phone calls to fit individual customer preferences. Marketers learn about their customer base through data collection and use that information to offer personalized services or customized products. Using this strategy, they aim to inspire long-term customer loyalty, increase sales and create an efficient marketing process.

Tips for using one-to-one marketing

Consider these tips for using one-to-one marketing:

- Get live-chat software for your website: This allows salespeople to more quickly address the questions and concerns of customers.

- Invest in a customized CRM: Instead of relying on a generic service, you can collect and organize customer data according to your preferences and needs. This option can optimize your process, giving you more time for other tasks.
- Address customers by their name: As people can receive many types of automated messages throughout the day, using their names can help personalize the interaction.
- Respond to customers on social media: If you research popular social media trends and reply to customers in real-time, you can foster positive relationships that may lead to an increase in sales. You can also gather customer data and their feedback.
- Start with a narrow plan: You can implement just one strategy, like social media outreach, to see if the outcomes match your needs and goals. Knowing in advance that a strategy can work may increase your confidence if you decide to expand it to different areas.

Cross-selling and upselling are two distinct practices that involve approaching existing customers and convincing them to purchase additional products or services. In the case of upselling, your goal is to sell a more expensive, more advanced product to the customer than they had planned by conveying its added benefits.

One example of upselling would be a cable television provider selling a premium plan with a more extensive selection of channels to a current subscriber of a basic package. Upselling may also entail approaching the customer at the point of sale for one product, offering a more advanced alternative.

In both upselling and cross-selling, companies must effectively utilize their existing and potential customer base to increase sales by offering appropriate additional products to the right customers. However, cross-selling never involves encouraging customers to replace their current choices with more expensive ones.

Customer retention refers to the ability of a company or product to retain its customers over some specified period. High customer retention means customers of the product or business tend to return to, continue to buy or in some other way not defect to another product or business, or to non-use entirely. Selling organizations generally attempt to reduce customer defections. Customer retention starts with the first contact an organization has with a customer and continues throughout the entire lifetime of a relationship and successful retention efforts take this entire lifecycle into account. A company's ability to attract and retain new customers is related not only to its product or services, but also to the way it services its existing customers, the value the customers actually perceive as a result of utilizing the solutions, and the reputation it creates within and across the marketplace.

What is behavior prediction?

The use of techniques such as data mining, data visualization, algorithm clustering, and neural networking to find patterns or trends in data. These patterns or trends are used to forecast future behavior based on current or past behavior

The different elements of relationship marketing

Financial Bonds: Refers to the bonds made by an organization with its customers by providing them financial incentives These incentives involve providing a large quantity of product at lower prices or providing the product at lower prices to a regular customer. For example, mobile service providers always provide discounts and other price incentives to customers with the aim of increasing their market share and retaining customers in a highly competitive market. However, financial bonds do not provide long-term benefits to an organization as the competitors may adopt the same strategy

Social Bonds: Refers to personal bonds between an organization and its customers. Social relationship is considered a dynamic process that plays a significant role in maintaining long-term relationships with customers. This type of relationship can range from formal to informal relationships. A social relationship can be strengthened by having multilevel contacts between an organization and its customers. It involves various autements, which are discussed as follows: • Promise: Refers to one of the important elements of social bonds. According to Henrik Celoni, marketers should firmade promises with customers and then persuade them to buy products or services. Apart from this, they should try to attract customers and build strong relationships with them. However, marketers should be careful while making promises with customers. This is because non-fulfillment of promises may damage the reputation of the organization.

Trust: Helps in building strong relationships between an organization and its customers. An organization should develop products and services in such a manner that customers develop trust in them.

Commitment: Refers to another key element of social bonding Commitment can be categorized into two types, namely affective commitment and calculative commitment. Affective commitment is based on an emotional bond between an organization and its customers. On the other hand, calculative commitment is based on the cognitive evaluation of the worth of a relationship. Both the commitments help in building mutual relationship between an organization and its customers

Structural Bonds: Refers to the bond between two organizations based on the collaboration of their economic or technical aspects, such as products and production process. For building structural bonch, both organizations are required to invest a huge amount in products and process development. Therefore, these types of relationships are not broken easily and stain for a longer period of time.

Customer profitability (CP) is the profit the firm makes from serving a customer or customer group over a specified period of time, specifically the difference between the revenues earned from and the costs associated with the customer relationship in a specified period. According to Philip Kotler," a profitable customer is a person, household or a company that overtime, yields a revenue stream that exceeds by an acceptable amount the company's cost stream of attracting, selling and servicing the customer."

Calculating customer profit is an important step in understanding which customer relationships are better than others. Often, the firm will find that some customer relationships are unprofitable.

The firm may be better off (more profitable) without these customers. At the other end, the firm will identify its most profitable customers and be in a position to take steps to ensure the continuation of these most profitable relationships. However, abandoning customers is a sensitive practice, and a business should always consider the public relations consequences of such actions.

Customer Value Model

A customer value model (CVM) is a data-driven representation of the worth, in monetary terms, of what a company is doing or could do for its customers. Customer value models are tools used primarily in B2B markets where the choice of a given product, service, or offering is based primarily upon the amount of customer value created. Customer value is defined as Value = Benefits Price. Thus, customer benefits are quantified in a CVM capabilities are 1 product features and translated into dollars. Customer value models are different from customer lifetime value models, which seek to quantify the value of a customer to its suppliers.

Uses of customer value models

• New product and service development

and refinement: The dialog and customer immersion that is part of a CVM is used to discover and determine which potential product features and functionality would create the most value for customers. This on-site interaction can be used to frame and define those features and functionality. Often a key is to focus on product or service capabilities rather than on features. Successful CVM efforts change the basis of the customer- supplier product conversation away from features and functions and toward problems, benefits, and value.

Event-based Marketing (EBM) has emerged as a new analytical archetype in the market that enables banks to shift from segment-based marketing to customer-centric focus with a great deal of personalization in context. EBM curates banks with the paths less taken, in meeting each customer's needs and preferences using analytics as their primary lever. This paper discusses how banks are laying their ecosystem aligned with event-driven architecture (EDA) and fine-tuning digital natives (WhatsApp, Facebook, chat bots for personalized context) to truly disrupt their customers with endless opportunities.

Call center in CRM

Call center customer relationship management (CRM) refers to a software tool that call center agents use to enhance the customer experience and increase efficiency. Call center CRM systems store records about customers, such as account information and contact history.CRM call centers help companies realign their entire organization around customers. And thus, is a strategic business initiative. Sales, Marketing and Service as well as other groups are connected and coordinated through the CRM applications. Before a call is made to the customer, all recent activity for that customer should be reviewed to be informed of recent events. Then a sales strategy needs to plan based upon observed opportunities. The use of CRM software in the call center allows the assignment of a value to each customer if the culture supports that philosophy. With that feature, one can choose how to interact with that customer.

CRM helps the company identify the most valuable customers and understand their lifetime values. Using CRM, the call centers design the organization systems and service to best meet the needs of customers and maximize their value. CRM is intended for long-term relationship building. Besides capturing the different forms of customer interaction, CRM allows you to capture and store all available customer information in the central history database. This allows agents the ability to pull up a customer's entire history while the two interact. Communication and service are more effective and efficient. Most CRM products also track trends in purchasing and customer feedback

Scope of Services

Since a call center can deliver any type of services that are capable of being done by telephone, enterprise customers need to classify the possible scope of services. This classification will suggest the key parameters for defining and achieving the intended goals of the call center. The following list is only an indication of some basic classes of outsourced call center services.

Customer Service and Support: This type of service can be as simple as advising your customer about the information he needs from your database, such as account balance, unpaid amounts, deadlines and credit balances. Or customer service can involve a complex decision tree involving a script that you prepare to determine your customer's needs, complete an application or request for change of information, and execute your customer's orders.

Technical Support / Warranty: In helping your customers solve problems relating to your products or services, you want to be able to resolve all problems in the first call. Achieving high first-call resolution rates with lower per-call handle times can make a significant cost difference. To some degree, you remain responsible for success because of the way in which you plan the interaction based on manuals, scripts and decision trees. Technical support (or "telephone help desk") can be invaluable in retaining customer loyalty and avoiding costly product returns or service cancellations.

Sales, Bookings (travel reservations) and Customer Retention: Your telesales department needs to convert inquiries into sales, and to retain customers upon expiration of subscriptions or upon other termination events in your customer relationship. Telesales are useful both at the beginning and the end of your customer relationship life cycle. As a tool for proactive outreach, customer retention programs can help sustain your bottom line.

Marketing Surveys and Research: Outbound calling can identify potential customers, identify an existing customer's interest in possible new products or services from your company and conduct inquiries about consumer preferences as to pricing and features of existing and new products. This can help your market positioning, promotional campaigns, product design, pricing and sales approaches. Outbound calling can also be used to clean up duplicates or stale information in your "old" databases, validate existing information, for "database scrubbing."

Legal Issues Affecting Enterprise Customers for Call Center Operations

Outbound Calls (from the Call Center to the Customer):

Outbound calls can be intrusive. For public policy reasons, such intrusions should be limited and targeted, as well as complying with applicable restrictions on calling. Legal issues in outbound calls include:

- Privacy of data and data protection
- Unfair trade practices, including invasion of privacy, consumer protection and other local laws and regulations restricting access to the target customer or prospect
- Force majeure, including terrorism, act of war and natural catastrophes
- Currency exchange fluctuation
- Termination conditions

Organizations Accomplish with Customer Relationship Management BPO

Organizations use BPO in customer relationship management to accomplish a wide range of objectives at both the process and the enterprise levels. These include:

Process efficiency

Consolidation, standardization, and integration of customer relationship processes and systems to improve costs and reliability;

Access to customer relationship management systems without capital expense;

Ability to handle capacity fluctuations;

Access to less expensive resources and labor.

Process effectiveness

Transparency, business discipline, and predictable outcomes in the customer relationship function;

Access to global best-accepted practices in customer relationship management processes such as customer segmentation and insight;

Access to customer relationship management expertise without the need to attract, develop, and retain non-core employees.

Enterprise effectiveness

Improved customer sales, retention, satisfaction, and profitability;

Rapid implementation of customer relationship management processes to take advantage of new business opportunities and changes;

Improved management focus.

Organization's Objectives vary, and the type of outsourcing relationship necessary to accomplish these objectives must vary as well. A carefully crafted relationship that reflects each organization’s unique circumstances and objectives spells the difference between success and failure.

Using BPO Successfully

As opportunities for using BPO in customer relationship management expand, their potential value increases, but capturing that value becomes more challenging. Roughly half of the organizations outsourcing customer relationship management in our study felt they had only limited success in achieving their objectives. The successful firms craft and manage their relationships in a way that fits their unique needs and circumstances. These firms start with selecting a provider capable of forming the type of relationship a firm needs to accomplish its objectives. Selecting the wrong provider can spell disaster.

Take one entertainment firm that competes on customer relationships and service, for example. Despite its desire to achieve best-in-class processes through outsourcing, it slipped into established patterns of behavior when it picked a provider based on low cost alone. The provider's process was so inadequate, the firm had to take it over, set up a new department to train the provider and run a shadow organization to keep the edge on its own skills. Choosing a provider that met its unique needs and establishing a jointly owned process would have allowed the organization to achieve its objectives more effectively. Once they select an appropriate provider, executives must carefully learn to manage the relationship. Based on our interviews with 10 firms, we identified the strategies for success and the pitfalls that can cause failure for each relationship dimension of the compass.

1. Define your goals.

When embarking on any sort of campaign, it's helpful to take a step back and ask, "Why are we doing this?"

In business, one must weigh the value of information — the customer satisfaction data — against the cost of collecting it — the survey process. To be honest, if you won't change anything after collecting your customer satisfaction data, you're better off not collecting it at all. It's going to take time and effort, so you need to put it to use.

Depending on your business or organizational capabilities, there's a lot you can do with this information. It's important to have a goal in mind so you can get the most out of your customer data. Every business faces disappointed or upset customers, but not every company has a solution.

With that in mind, the specific solution isn't necessarily the important part here. The important part is stepping back and saying, "If we see that a segment of our customers is unsatisfied, what will we do about it?"

2. Outline your plan.

Once your goals are defined, you need an actionable plan to achieve them. Before collecting customer data, your team should outline the actions you'll take after feedback is gathered and analyzed. Some examples you can execute are:

Improve key UX bottlenecks that contribute to poor customer experience.

Expedite customer support interactions with the most frustrated customers.

Operationalize proactive support like a knowledge base and customer education.

Test different live chat scripts and support strategies.

You can also plan actions based on your segment of highly satisfied customers. Methodologies like NPS segment your customers into promoters, passives, and detractors for a few reasons. First, NPS provides you with an aggregate satisfaction score, thus providing a health check and a longitudinal metric to track and improve over time.

Second, it gives you the possibility of segmenting customers based on attitudinal metrics like satisfaction. You can offer your promoters special perks or encourage them to spread the word about your business; they're the most probable people to act as your "external sales force" — in other words, your willing and excited customer advocates.

3. Choose a type of customer satisfaction survey.

Once you've sat down and discussed your plans with key stakeholders, you need to design your survey. The first step you should take is determining the type of metrics you'll use to measure customer satisfaction.

You can choose among a few different options for customer satisfaction surveys. There's no unanimous agreement on which one is best. A few popular methods are:

Customer Satisfaction Score (CSAT)

Customer Satisfaction Rating, or Customer Satisfaction Score (CSAT) measures on average, how satisfied or unsatisfied customers are with your product, services, or customer success program. Usually asked on a scale of 1-3, 1-5, or 1-7, your customer satisfaction score can be calculated by adding up the sum of all scores and dividing the sum by the number of respondents.

Customer Satisfaction Score (CSAT) is the most commonly used measurement for customer satisfaction. You ask your customers to rate their satisfaction on a linear scale. Your survey scale can be 1 – 3, 1 – 5, 1 – 7, or 1 – 10, and there's no universal agreement on which scale is best to use.

CSAT is a transactional metric that's based on what's happening now to a user's satisfaction with a product or service. We try to get a CSAT score within 15 minutes of an interaction. It's super helpful to improvise on the resolution, mode of delivery, channel, etc. It's ONE of the important metrics to evaluate the performance of the support desk. In fact, we publish ours publicly as well."

Customer Effort Score (CES)

Customer Effort Score (CES) is very similar, but instead of asking how satisfied the customer was, you ask them to gauge the ease of their experience.

You're still measuring satisfaction, but this way you're gauging user effort — the assumption being that the easier a task is, the better the experience will be. As it turns out, making an experience a low-effort one is one of the greatest ways to reduce frustration and disloyalty.

Net Promoter Score(NPS)

NPS asks the question, "How likely is it that you would recommend this company to a friend or colleague?"

You calculate your Net Promoter Score by subtracting the percentage of detractors from the percentage of promoters. This measures customer satisfaction but also customer loyalty. In doing so, you can come up with an aggregate score, but you can also segment your responses into three categories: detractors, passives, and promoters.

NPS is often used as a more general indicator of customer loyalty and brand devotion. Here's how Thomas explains it:

"NPS is consumed by various different teams to drive retention, sales, product improvements & advocacy. Some important things to consider would be the channel it's delivered on email, in-product, phone the frequency of delivery, and the target audience within the customer base".

These are all "one-question" methods that vastly simplify the process of collecting customer insights. While you may not think the survey methodology matters much, how you ask the question measures different variables.

4. Customize your survey's layout and questions.

The above three styles are commonly used, but those aren't your only options for customer satisfaction surveys. Depending on your goals, you can also send longer email surveys that include things like demographic questions. You can customize it to your desires — just remember that shorter surveys tend to have better completion rates.

Most importantly, don't ask questions if you won't do anything with the information. This not only wastes your time, but your customers' time as well. And, studies show that 66% of adults believe that the most important thing a company can do is value its time.

Still, sometimes longer surveys can be useful, like in the example below. Sharing a more thorough survey can be advantageous if there's an added incentive for doing so like a discount or a giveaway entry for a chance to win a prize. This way, you receive more data and the customer feels like they get something in return.

Best Practices for Survey Triggering

With all the options for triggering let's start with some best practices:

> The closer the survey is to the experience, the better. People forget how they felt the longer you wait. Who you survey changes what insights you get. If you survey website

visitors about their satisfaction, the respondents are anonymous and may be a customer or they may not. This will bring you different data than sending an email to recent customers.

You should survey your customers more than once to see how things change longitudinally. Especially if you operate a SaaS company or a subscription service, regular NPS surveys can help you analyze trends at the aggregate and individual levels.

Survey people after a key moment of their customer journey.

If a respondent gives you a high score, think about adding a follow-up question. For instance, Tinder asks you to rate its app in the app store if you give it a high score.

https://www.slideshare.net/slideshow/crm-seminar-1/53796704

The Pareto Principle, or 80-20 rule, is commonly recognized in business as a reason to take care of your most profitable, loyal customers. It indicates that generally speaking, roughly 80 percent of a company's profits are driven by the top 20 percent of its customer base. However, the Pareto Principle fails to address the remaining 80 percent of your customers.

Lead Customers

A primary reason to understand and evaluate the customer pyramid is to consider the importance of lead customers, in addition to your platinum customers. This tier (around 81st to 100th percentile) includes people that are a drain on your business; they cost you more money to serve than you generate in revenue. They do so by only buying deeply discounted items, demanding a lot from your service staff, and routinely returning or exchanging items.

The goal is to subtly usher these people elsewhere as they can negate much of the profit you generate from your platinum core. Tighter return policies and a pricing policy that charges these customers for extra services are typical strategies.

Gold and Iron Customers

Gold customers may visit your store or website as often as platinum customers, but they are more price sensitive and more likely to shop competitors for better deals. If your business is very profitable, your gold tier (around 21st to 50th percentile in profitability) customers may still provide a profit. Targeting these buyers with similar incentive or rewards programs, and doing things to strengthen the relationship and drive them up the customer pyramid, are common strategies.

The iron tier consists of people that are even more price sensitive than gold customers, and less likely to ever become loyal to one provider. Thus, they are unlikely to ever offer a return on investment for marketing or service dollars. Therefore, common practice is to operate with indifference toward this tier (around 51st to 80th percentile) and just accept the modest business you gain from them

Platinum Customers

This upper tier of your customer base includes people that spend top dollar or typically buy a lot of goods and services. These customers are also heavy users, in most cases, and trust your company enough to try new offerings.

A basic marketing principle is to continue to tap into your most profitable customers as a primary growth strategy. Therefore, targeting people that match your loyal customers is an efficient strategy. Loyalty programs, frequency programs, and other incentive programs are a common strategy for retaining your core customers.

UNIT III CRM DATA STRUCTURES

CRM links in e-Business - E-Commerce and Customer Relationships on the Internet - Enterprise Resource Planning (ERP), - Supply Chain Management (SCM), - Supplier Relationship Management (SRM), - Partner relationship Management (PRM).

https://www.slideshare.net/slideshow/e-commerce-ppt-10713485/10713485

CRM links in e business

Customer relationship management (CRM) systems allow companies to analyze their past, current, and future customers on a variety of levels. CRM is essential for any business, including e-commerce sites, because it allows them to grow and succeed. A customer relationship management system is a central location or piece of software that you can use to store customer details, accounts, information, and leads that can then be leveraged for future sales opportunities.

Small and large businesses will benefit from some ecommerce CRM systems in that they firmly place client data in the 'cloud' - which means that it can be accessed by multiple people, anywhere, at any time, from any number of mobile devices. For the mobile developer who has spent time, energy and money building a responsive mobile e-commerce website, CRM is more important than ever. Using select CRM practices and processes, sales on an ecommerce website with integrated CRM will help you better understand your cross-channel customers, and what makes them buy from you.

For example, the United Methodist Church recently upgraded, connecting 35,000 churches together, with nine fully populated websites. An integrated ecommerce CRM system was needed to simplify transactional needs across multiple storefronts. They also needed a system that could be used by business partners without help, while maintaining easy maintenance processes. The church ended up using Microsoft Dynamics ERP System with CRM integration. Things like ordering, tracking and delivery, automation, credit card verification and shipping led to streamlined interdepartmental cooperation online, which saved the church thousands of man-hours and gave them access to detailed customer data for their marketing team.

Mobile CRM in the age of big data

Mobile CRM is an integral part of a well-thought out ecommerce customer relationship management system. One of the elements of this system could be the ability to use CRM SMS solutions in order to leverage those insights that you get from your data. Text solutions for mobile ecommerce CRM can greatly improve a mobile developer's efforts to manage their customers once they have signed up, ordered, or bought from their website. With solutions like text notifications, alerts, and updates for product tracking and shipping - you can see how bulk text messaging has a place in the CRM arena.

In a nutshell, ecommerce CRM systems have the power to harness your customer data, so that you can gain insight into customer behavior, social experience, and purchasing habits - which gives your website the power to improve your offerings and increase your sales. With this kind of valuable market information, your ecommerce website or app is sure to expand rapidly in your chosen niche Market.

CRM does through internet

1. Tracking and monitoring customer needs

2. Providing customized products/services matching with customer expectations

3. Converting customer micro-information for market targeting and decision making.

4. Conveying information about customer to other departments in meaningful form integration of other departments through information and to deliver quality products and services

5. Reducing order processing time

6. Improving receipts/payment from customers.

7. Tapping customer feedback for strategy and differentiation.

But now that Big Data and the Internet of Things have come along, we can go beyond the transaction to every little detail of the customer's actual experience. You can know when customers enter your store, how long they are there, what products they look at, and for how long. When they buy something, you can know how long that item has been on the shelf and whether that shelf is in an area of things that usually sell fast or slowly. And then you can view that data by shoppers' age, gender, average spend, brand loyalty, and so on. Today, this sort of thing is possible not just for online experiences; it's possible for physical experiences as well and not just retail shopping. This vivid view of the end-to-end experiences is rapidly changing the way people think about, measure, and manage their customer relationships.

As exciting as it can be to talk about this and to see that it is happening right now in broad daylight, talking about how to assess customer experiences and how to engage customers differently when they have this information gets complicated quickly. The important thing is to acknowledge that the measurements of yesterday may need an overhaul, and to understand where your customers are on the acceptance-expectation path so you can try to stay with, if not get ahead of, them. An increasingly common method for getting a handle on this is documenting the customer (and employee) experience journeys. What that means is examining high level areas such as:

Discover. How do they discover that they could have this experience?
Plan/Enroll. Do they need to sign up or enroll to have the experience?
Arrive. When do they begin to have the experience?
Engage. What are they doing while they are having the experience? What is their top priority (e.g., speed of service, best price, product selection)?
Complete. How do they choose to end their experience (e.g., when they are ready to leave that Lord & Taylor store)? Not all experiences start and end with entering a physical location, but that is a common, simple, and familiar experience boundary.
Reflect. After the experience, do they visit social-media sites to comment on their experience, do they look at a loyalty-program site to ensure they got the points or credits that they expected?

Enterprise resource planning (ERP) is a platform companies use to manage and integrate the essential parts of their businesses. Many ERP software applications are critical to companies because they help them implement resource planning by integrating all the processes needed to run their companies with a single system.

KEY TAKEAWAYS

- ERP software can integrate all of the processes needed to run a company.
- ERP solutions have evolved over the years, and many are now typically web-based applications that users can access remotely.
- Some benefits of ERP include the free flow of communication between business areas, a single source of information, and accurate, real-time data reporting.
- There are hundreds of ERP applications a company can choose from, and most can be customized.
- An ERP system can be ineffective if a company doesn't implement it carefully.

ERP applications also allow the different departments to communicate and share information more easily with the rest of the company. It collects information about the activity and state of different divisions, making this information available to other parts, where it can be used productively.The system as the glue that binds together the different computer systems for a large organization. Without an ERP application, each department would have its system optimized for its specific tasks. With ERP software, each department still has its system, but all of the systems can be accessed through one application with one interface.An ERP system doesn't always eliminate inefficiencies within a business or improve everything. The company might need to rethink how it's organized or risk ending up with incompatible technology.

ERP systems usually fail to achieve the objectives that influenced their installation because of a company's reluctance to abandon old working processes. Some companies may also be reluctant to let go of old software that worked well in the past. The key is to prevent ERP projects from being split into smaller projects, which can result in cost overruns.Enterprise resource planning (ERP) manages and integrates business processes through a single system. With a better line of sight, companies can better plan and allocate resources. Without ERP, companies tend to operate in silos, with each department using its own disconnected system.

ERP systems promote the free flow of communication and sharing of knowledge across an organization, the integration of systems for improved productivity and efficiencies, and increased synergies across teams and departments. However, moving to an ERP system will be counterproductive if the company's culture does not adjust to the change and the company does not review how the structure of its organization can support it.

SUPPLY CHAIN MANAGEMENT

KEY TAKEAWAYS

- Supply chain management (SCM) is the centralized management of the flow of goods and services to and from a company and includes all of the processes involved in transforming raw materials and components into final products.
- By managing the supply chain, companies can cut excess costs and deliver products to the consumer faster and more efficiently.
- Good supply chain management can help prevent expensive product recalls and lawsuits as well as bad publicity.
- The five most critical phases of SCM are planning, sourcing, production, distribution, and returns.
- A supply chain manager is tasked with controlling and reducing costs and avoiding supply shortages.

5 Phases of Supply Chain Management

A supply chain manager's job is not only about traditional logistics and purchasing but finding ways to increase efficiency and keep costs down while also avoiding shortages and preparing for unexpected contingencies. Typically, the SCM process consists of these five phases:

Planning

To get the best results from SCM, the process usually begins with planning to match supply with customer and manufacturing demands. Companies must try to predict what their future needs will be and act accordingly. This will take into account the raw materials or components needed during each stage of manufacturing, equipment capacity and limitations, and staffing needs. Large businesses often rely on enterprise resource planning (ERP) software to help coordinate the process.

Sourcing

Effective SCM processes rely very heavily on strong relationships with suppliers. Sourcing entails working with vendors to supply the materials needed throughout the manufacturing process. Different industries will have different sourcing requirements, but in general, SCM sourcing involves ensuring that:

- The raw materials or components meet the manufacturing specifications needed for the production of the goods.
- The prices paid the vendor are in line with market expectations.
- The vendor has the flexibility to deliver emergency materials due to unforeseen events.
- The vendor has a proven record of delivering goods on time and of good quality.

Supply chain management is especially critical when manufacturers are working with perishable goods. When sourcing goods, companies should be mindful of lead times and how well equipped a supplier is to meet their needs.

Manufacturing

This is the heart of the supply chain management process, where the company uses its machinery and labor to transform the raw materials or components it has received from its suppliers into something new. This final product is the ultimate goal of the manufacturing process, though it is not the final stage of supply chain management.

The manufacturing process may be further divided into sub-tasks such as assembly, testing, inspection, and packaging. During the manufacturing process, companies must be mindful of waste or other factors that may cause deviations from their original plans. For example, if a company is using more raw materials than planned and sourced for due to inadequate employee training, it must rectify the issue or revisit the earlier stages in SCM.

Delivery

Once products are made and sales are finalized, a company must get those products into the hands of its customers. A company with effective SCM will have robust logistic capabilities and delivery channels to ensure timely, safe, and inexpensive delivery of its products.

This includes having a backup or diversified distribution methods should one method of transportation temporarily be unusable. For example, how might a company's delivery process be impacted by record snowfall in distribution center areas?

Returns

The supply chain management process concludes with support for the product and customer returns. It's bad enough when a customer needs to return a product, but even worse if that's due to an error on the company's part. This return process is often called reverse logistics, and the company must ensure it has the capabilities to receive returned products and correctly assign refunds for them. Whether a company is conducting a product recall or a customer is simply not satisfied with the product, the transaction with the customer must be remedied.

Returns can also be a valuable form of feedback, helping the company to identify defective or poorly designed products and to make whatever changes are necessary. But without addressing the underlying cause of a customer return, the supply chain management process will have failed, and future returns will likely persist.

Types of Supply Chain Models

Supply chain management does not look the same for all companies. Each business has its own goals, constraints, and strengths that will shape its SCM process. These are some of the models a company can adopt to guide its supply chain management efforts.

- **Continuous flow model:** One of the more traditional supply chain methods, this model is often best for mature industries. The continuous flow model relies on a manufacturer producing the same good over and over and expecting customer demand will show little variation.

- **Agile model:** This model is best for companies with unpredictable demand or custom-order products. This model prioritizes flexibility, as a company may have a specific need at any given moment and must be prepared to pivot accordingly.
- **Fast model:** This model emphasizes the quick turnover of a product with a short life cycle. Using a fast chain model, a company strives to capitalize on a trend, quickly produce goods, and ensure the product is fully sold before the trend ends.
- **Flexible model:** The flexible model works best for companies affected by seasonality. Some companies may have much higher demand requirements during peak season and low volume requirements in others. A flexible model of supply chain management ensures that production can easily be ramped up or wound down.
- **Efficient model:** For companies competing in industries with very tight profit margins, a company may strive to get an advantage by making its supply chain management process the most efficient. This includes utilizing equipment and machinery in the most ideal ways in addition to managing inventory and processing orders most efficiently.
- **Custom model:** If any model above doesn't suit a company's needs, it can always turn toward a custom model. This is often the case for highly specialized industries with high technical requirements, such as an automobile manufacturer.

Unit IV

UNIT IV CRM DATA AND ANALYTICS

Analytical CRM – Managing and sharing customer data, CRM Metrics, Customer information databases - Ethics and legalities of data use - Data Warehousing and Data Mining concepts - Data analysis - Market Basket Analysis (MBA), Click stream Analysis, Personalization and Collaborative Filtering. Real-world applications. Implications – for organizations and the future CRM implementation and effectiveness –Management of Relationships

Analytical CRM (Customer Relationship Management) denotes the systematic electronic analysis of collated customer data. Customer data is defined as contact data, customer properties and information derived from both online and offline behavior.

Here are some advantages of leveraging Analytical CRM

Retain lucrative customers based on data analysis.

Identify new customers who closely resemble the ideal customer among all the leads.

Significantly enhance customer satisfaction and loyalty.

Collects and analyzes the sales and marketing data to provide intelligence for smoother operations.

CRM analytics can be considered a form of online analytical processing (OLAP) and may employ data mining. As companies have added new and often faster ways to interact with customers, the opportunity and need to turn data collected about customers into useful information has become increasingly important. As a result, software companies have developed specific products that perform customer data analysis, and analytics is a component of many CRM systems.

Analyzing CRM metrics

Once a business has gathered its CRM metrics, it's time to analyze them. This process is generally divided into a pre- and post-sales analysis.

Pre-sales CRM analytics

The pre-sales process includes all the activities that occur before a customer purchases a product or service. These activities often include product research, prospecting and identifying sales-qualified leads, as well as market research, customer analysis and selling propositions. It's crucial to track these metrics because they're the building blocks of a long-lasting customer relationship.

The most important pre-sales CRM metrics to analyze include:

- **New leads.** Most sales teams spend a big chunk of time trying to find new customers by sending proposals or making phone calls. Businesses should analyze these activities thoroughly to observe the effect they have on conversion rates.
- **Prospects.** Finding prospects is an integral part of a sales team's outreach efforts. Companies should analyze the conversion rates of prospects to weed out ineffective strategies.
- **Personal interactions.** Every customer interaction is a chance to create a potential customer and shouldn't be limited to cold calling or sending emails. It's important to analyze the number of calls that lead to conversations, along with their length and occurrences.
- **Website and additional engagement.** Many CRM programs can identify site visitors and potential customers who engage with a business through other channels, including social media or newsletter signups. By analyzing these metrics, businesses can come up with potential leads to target.

Post-sales CRM analytics

The goal of any business should be to turn a one-time customer into a returning customer. To achieve this goal, it's important to keep track of the sales funnel, including the customer experience. A business should also find ways to keep the momentum going after a sale is completed.

The following are the main post-sales CRM metrics to analyze:

- **Problem tracking.** Businesses must record any problems voiced by customers regarding products, services or other interactions. If a business is oblivious to the problems its customers face, it runs the risk of losing them.
- **Additional purchases.** It's important to track other products the customer has purchased from the business, as it presents the organization with an opportunity to determine which products to market to them in the future.
- **Purchasing patterns.** Businesses should investigate the purchasing patterns of those customers who have signed up for subscription-based services. The reasons behind their loyalty and motivation should also be assessed to discover whether the customer is likely to continue purchasing in the future. This can help a business avoid potential customer churn by offering discounts, coupons or other loyalty benefits to existing customers.

What to look for in CRM analytics products

A business should evaluate its needs and priorities before selecting a CRM tool. Since all CRMs aren't created equal, the following points should be considered before the selection process:

- **Ease of integration.** The main purpose of a CRM tool is to streamline business processes. Therefore, a business should ensure the prospective product is capable of easily integrating with existing applications and workflows.
- **Features and functionality.** Every business is unique in terms of its business model, customer growth and functionalities. Therefore, the best CRM isn't one that offers a one-size-fits-all approach, but rather a tool that provides scalability and adaptability to meet the changing needs of a business.\

- **Simplified usability.** A CRM that offers an intuitive user experience is easier to adopt. It also helps if the potential product offers simplified usability, built-in tutorials and multichannel support, so employees across the organization can embrace it easily.
- **Capacity for big data.** A CRM analytics system should be able to store, capture and process massive amounts of real-time data regularly. Therefore, it's important to consider an option that supports big data
- **Data visualization.** The ideal CRM analytics tool should offer data visualizations, such as interactive graphs and charts, instead of reports that might be difficult for a business to interpret or follow. Interactive visualizations are an integral feature of a CRM, as they help turn data into actionable insights.

Ethical Concerns in Data Mining

Transparency: Customers should have a certain amount of visibility into and control over how their data is collected and used. Companies should be forthcoming with their data collection and use practices and ask permission before acting rather than asking for forgiveness after the fact

Market basket analysis (MBA) is an example of an analytics technique employed by retailers to understand customer purchase behaviors. It is used to determine what items are frequently bought together or placed in the same basket by customers. It uses this purchase information to leverage effectiveness of sales and marketing. MBA looks for combinations of products that frequently occur in purchases and has been prolifically used since the introduction of electronic point of sale systems that have allowed the collection of immense amounts of data.

Market basket analysis only uses transactions with more than one item, as no associations can be made with single purchases. Item association does not necessarily suggest a cause and effect, but simply a measure of co-occurrence. It does not mean that since energy drinks and video games are frequently bought together, one is the cause for the purchase of the other, but it can be construed from the information that this purchase is most probably made by (or for) a gamer. Such rules or hypothesis must be tested and should not be taken as truth unless item sales say otherwise.

There are two main types of MBA:

- Predictive MBA is used to classify cliques of item purchases, events and services that largely occur in sequence.
- Differential MBA removes a high volume of insignificant results and can lead to very in-depth results. It compares information between different stores, demographics, seasons of the year, days of the week and other factors.

MBA is commonly used by online retailers to make purchase suggestions to consumers. For example, when a person buys a particular model of smartphone, the retailer may suggest other products such as phone cases, screen protectors, memory cards or other accessories for that particular phone. This is due to the frequency with which other consumers bought these items in the same transaction as the phone.

MBA is also used in physical retail locations. Due to the increasing sophistication of point of sale systems coupled with big data analytics, stores are using purchase data and MBA to help improve store layouts so that consumers can more easily find items that are frequently purchased together.

The Link between Acquisition, Retention and Profitability

Measuring, managing, and maximizing customer profitability is not an easy task, Prom a marketing resource allocation perspective, it requires a manager to (1) set a budget, (2) bal ance how much to spend on customer acquisition and customer retention, and (3) deter mine how the expenditures are allocated between contact channels. The objective is, of course, to maximize a customer's long-term profitability. For example, & manager of a paper company distributes sales force efforts and directs marketing efforts among its set of 350 business customers. The manager also has to constantly juggle how many new prospects should be targeted at a given point in time vis-à-vis the portion of time and effort to be directed to existing customers. In this section, we summarize the findings of a study that examines these questions.

In contrast to most other studies, the acquisition process is an integral component of the research model. The conceptual link between the acquisition and the retention process is important for two reasons. First, only by linking the two, one can see a complete and unbiased picture of the drivers behind customer selection/acquisition, relationship dura- tion, and customer profitability. Prior research has specifically shown that a failure to link acquisition and retention can lead to biased results and incorrect inferences. This is due to the selection bias resulting from the omission of information on non acquired prospects. Second, offensive processes and defensive processes compete for the same resources. Making the necessary trade-off requires a full specification of the key dimensions of the customer-firm relationship. Thus, a more complete model specification allows us to address a key managerial question: "Does the maximization of the respective objective functions (a.k.a. acquisition likelihood, lifetime duration, and customer value lead to convergent or divergent resource allocation recommendations?" It is important to note this model applies mainly to situations where managers mostly rely on direct customer communication, such as via sales force, direct mail, or Internet. This is the case for most B-to-B environments, as well as for many direct marketing contexts.

CRM IMPLEMENTATION

implementation of CRM pertains to the processes and activities required for a success- ful CRM strategy. These processes and activities are captured in the CRM Implementation Matrix. This implementation matrix spans the scope of potential activities and is structured along two key dimensions: 1. A customer dimension, i.e., the influence of the changing phases of a customer-firm relationship (customer acquisition, growth, retention, and exit phase)

2. A management dimension, Le.. the activities and processes that constitute analytical CRM (to obtain a good understanding of customer needs, behaviors, and expectations) and operational CRM (to meet the functional and technical requirements).The implementation matrix allows the mapping of a set of managerial activities and processes onto the various phases of a customer-firm relationship. Each cell in the matrix corresponds to a specific implementation activity or process.

The satisfaction-loyalty profit-chain (SPC) is a key concept requiring a thorough understanding because of its link to CRM. It has been popular since the early 1990s, when companies realized the importance of measuring and managing customer satisfaction. The key underlying idea is that improving product and will lead to an improvement in customer satisfaction. Increased customer satisfaction is expected to lead to greater customer retention, which is often used as a for loyalty, which then is expected to lead to greater profitability. Despite the m self-evident nature of these positive links, the empirical evidence from a number of pears of research shows only mixed support. Likewise, translating the conceptual framework into practical reality has been problematic for many firma. For example, a firm may have improved its performance on a key attribute, only to discover that the overall action score did not noticeably increase. At other times, changes in overall satisfaction scores have failed to show a demonstrable impact on customer retention. We believe, therefore that it is critical to have a complete understanding of the entire satisfaction-profit chain in order to manage customers in an efficient manner

Click stream analysis

https://www.slideshare.net/slideshow/clickstream-analysis-57968355/57968355

UNIT V - CRM TOOLS 9

Sales Force Automation – Sales Process, Activity, Contact-Lead and Knowledge Management, Field Force Automation. Journey Orchestration, Omni Channel, Team Collaboration, CRM Implementation - Defining success factors - Preparing a business plan requirements, justification and processes. - Choosing CRM tools - Defining functionalities - Homegrown versus out-sourced approaches - Managing customer relationships - conflict, complacency, Resetting the CRM strategy. Selling CRM .internally - CRM development Team - Scoping and prioritizing - Development and delivery - Measurement.

Sales Force Automation

Sales force automation helps sellers take the next-best action by using machine learning and comprehensive, account-level data. It automates and simplifies data entry and supports mobile interactions, giving sales teams more time to engage with customers and prospective customers.

Benefits of Sales Force Automation

1. Highly Efficient Teams

Non-revenue generating sales activities take up about 67% of your salesperson's time every day. Automating a few sales stages, helps your team to focus on high-value tasks with a 14.5% boost in sales productivity and a 30% increase in deal closures.

2. Shorter and Smarter Sales Cycles

Businesses with a well-defined sales process close more deals and are 33% more likely to be high performers in the industry. Around 22% of businesses believe that automation has significantly shortened their sales cycle.

With automation, your salespeople don't have to worry about "what to do next?". The leads move through the process on their own. Sales force automation can help you optimize the pre-sales and post-sales cycles as well.

3. Reach Out to Customers Faster!

82% of customers expect a response on their inquiry within 10 minutes. You should aim to reach out to them sooner to improve conversions and beat competition. A lack of notifications or reminders are the main cause for a delayed TAT—a challenge that sales automation tackles with ease.

4. No More Missed Opportunities

Salespeople handle multiple deals and various customer stages, all at the same time. Missing a follow up email or a meeting causes leaks in your sales team's pipeline. Automated reminders and nurturing sequences ensure that you don't miss any opportunities.

5. Builds an Error-Free Sales Process

Lead details, activities, meeting notes—can all be recorded in one place, instead of multiple excel sheets, with sales force automation. While recording these manually, salespeople can make errors in noting the email ids or phone numbers and they lose the chance to initiate the first contact. Automating sales workflows has proven to reduce human errors by 37%.

6. Real-Time Reports for Strategic Planning

We've discussed how sales force automation helps salespeople save a lot of time, but it benefits managers and team leaders at the same time. Sales force automation tools also generate real-time reports using the data that CRM and salespeople collect while interacting with customers. Businesses can improve their sales forecasting, quota assignment, and pipeline management by analyzing the reports.

Despite all these benefits, only 25% of businesses utilize sales force automation to its potential. When businesses consider automation, there's an initial hesitation towards adopting and understanding new technology. Let's simplify it a bit by understanding how sales automation works.

The 7-step sales process

1. Prospecting
2. Preparation
3. Approach
4. Presentation
5. Handling objections
6. Closing
7. Follow-up

1. Prospecting

The first step in the sales process is prospecting. In this stage, you find potential customers and determine whether they have a need for your product or service—and whether they can afford what you offer. Evaluating whether the customers need your product or service and can afford it is known as qualifying.

Keep in mind that, in modern sales, it's not enough to find one prospect at a company: There are an average of 6.8 customer stakeholders involved in a typical purchase, so you'll want to practice multi-threading, or connecting with multiple decision-makers on the purchasing side. Account maps are an effective way of identifying these buyers.

2. Preparation

The next step is preparing for initial contact with a potential customer, researching the market and collecting all relevant information regarding your product or service. Develop your sales presentation and tailor it to your potential client's particular needs. Preparation is key to setting you up for success. The better you understand your prospect and their needs, the better you can address their objections and set yourself apart from the competition.

3. Approach

Next, make first contact with your client. This is called the approach. Sometimes this is a face-to-face meeting, sometimes it's over the phone. There are three common approach methods.

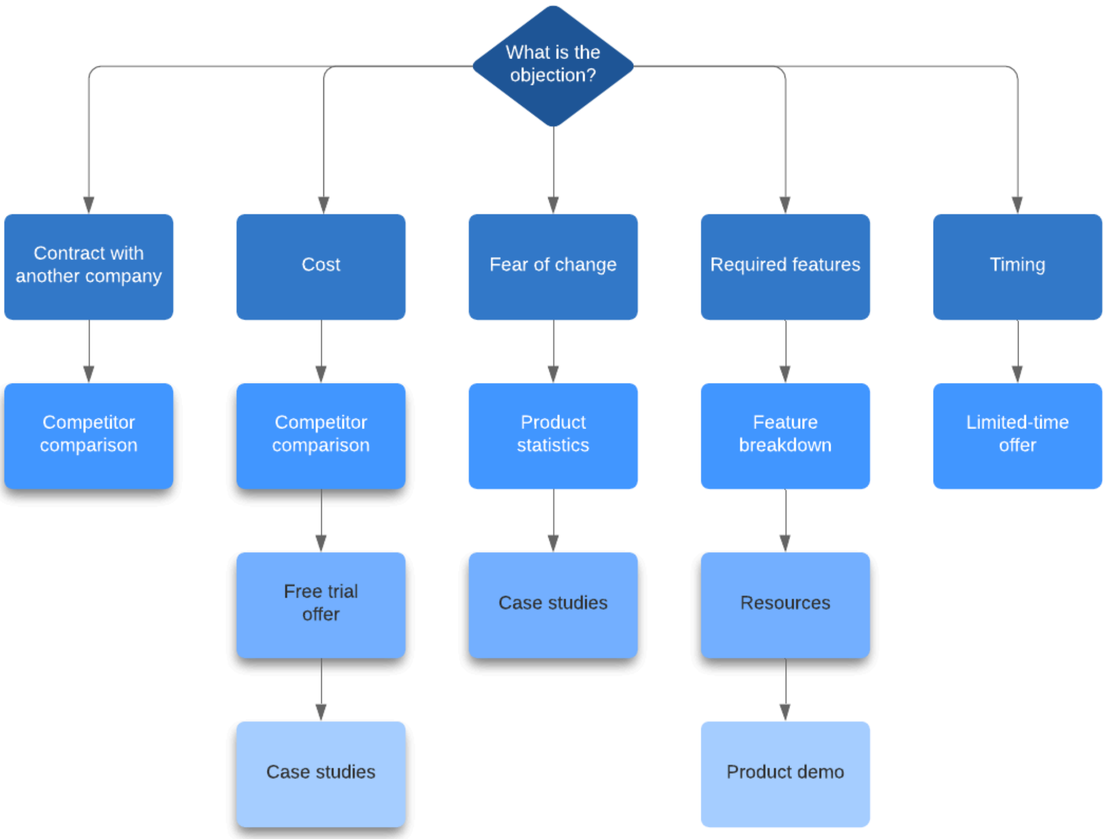
- Premium approach: Presenting your potential client with a gift at the beginning of your interaction
- Question approach: Asking a question to get the prospect interested
- Product approach: Giving the prospect a sample or a free trial to review and evaluate your service

4. Presentation

In the presentation phase, you actively demonstrate how your product or service meets the needs of your potential customer. The word presentation implies using PowerPoint and giving sales, but it doesn't always have to be that way. You should actively listen to your customer's needs and then act and respond accordingly.

5. Handling objections

Perhaps the most underrated step of the sales process is handling objections. This is where you listen to your prospect's concerns and address them. It's also where many unsuccessful salespeople drop out of the process—44% of salespeople abandoning pursuit after one rejection, 22% after two rejections, 14% after three, and 12% after four, even though 80% of sales require at least five follow-ups to convert. Successfully handling objections and alleviating concerns separates good salespeople from bad and great from good.



6. Closing

In the closing stage, you get the decision from the client to move forward. Depending on your business, you might try one of these three closing techniques.

- Alternative choice close: Assuming the sale and offering the prospect a choice, where both options close the sale—for example, "Will you be paying the whole fee up front or in instalments?" or "Will that be cash or charge?"
- Extra inducement close: Offering something extra to get the prospect to close, such as a free month of service or a discount
- Standing room only close: Creating urgency by expressing that time is of the essence—for example, "The price will be going up after this month" or "We only have six spots left"

7. Follow-up

Once you have closed the sale, your job is not done. The follow-up stage keeps you in contact with customers you have closed, not only for potential repeat business but for referrals as well. And since retaining current customers is six to seven times less costly than acquiring new ones, maintaining relationships is key.

Effective tips for leveraging your sales process for faster deals

Whether you have put a solid workable sales process in place already or are working your way towards one, what doesn't change is the salespeople's flexibility. While learning and adapting to the changing course of a consumer's journey, sales reps are responsible for listening and responding at every step of the way.

Therefore, sales representatives need to follow a proactive approach towards each of the seven steps of the sales process to close deals. Here are some handy tips that you can use to exceed expectations.

1. Talk to the reps first

Before you devise your sales process, sit down with your team and get to know their sales tactics. How do they approach a prospect that moves them forward in the sales process? What do they do that leads to a sure-shot closed deal? Asking these questions will give you an idea of the strengths and weaknesses of your sales operations. Once you have gathered this knowledge, you can start describing your sales process.

2. Don't give creativity a go-by

Following a structured approach does not trump creativity. In fact, it acts as the framework to accomplish lucrative deals the right way. This also includes using your gut instinct and creative flair to pose the right queries. Ultimately, selling will depend on how you use your skill and talent to draft your sales communication.

3. Have your customer in mind

Often sales managers think that a sales process is a to-do list for the sales reps. But they couldn't be more wrong! What works while drafting a sales process is starting from the end result and then working your way to your company. The result here is the purchase decision made by the customer and what you do to make that happen. To ensure that the result is beyond promising, you must define your USP by being in the customer's shoes. The bottom line is to show how your product or service will enable the customer to be in a better position.

4. Don't rush it; build a connection

Modern-day consumers anticipate a special treatment of their problems instead of being another number in the sales analytics dashboards. Therefore, sales reps mustn't rush the customer down the sales process and build a trustworthy relationship instead. Also, sales reps should ideate methods to offer value and a fruitful experience to the prospects. If the customers feel heard, they will be drawn towards your business.

5. Follow-ups are a must

Sure, a closed deal has its charm. But more often than not, sales reps tend to just log the numbers into a software and call it a day. They do not realize that follow-ups are their key to grow those numbers. Right from the point when the deal is closed, sales reps should maintain a balance of communication and assistance with the customer to develop a cordial relationship. This is why a formalized sales process matters as it serves as a key reminder for the sales team.

6. Reinvent your sales process

A well-structured sales process enables better sales forecasting and lead generation. However, over time, your sales team can acquire enough data on how well the sales process performs.

6 best practices for Salesforce lead management

1. Customize fields and page layouts to match your sales process

As we mentioned earlier, your Salesforce instance is almost endlessly customizable. You can tailor it to match your revenue team's lead management system by configuring custom fields and page layouts.

Custom fields: Create custom fields for the info your business needs to collect about each lead. For example, let's say your company targets several different ideal customer profiles (ICPs). You want to track which ICP each lead matches, so you create a custom field called "ICP." When a sales rep enters a new lead, they can select the ICP from a picklist or enter a custom value. This custom field helps you segment your leads and tailor your sales approach based on ICP-specific needs and trends.

When you create custom fields, make sure you map them to contact, account, and opportunity records, so you don't lose valuable info when you convert leads.

Page layouts: Customize the page layouts in Salesforce to match your sales stages and the information you need at each stage. For example, you can create a page layout called "Qualification" with fields for capturing key qualification criteria such as budget, timeline, and decision-making authority. This makes it easy for your team to see relevant details at a glance before hopping on a call with a lead.

Customizing these elements helps your sales team track the most important info about every lead.

2. Make sure your lead data is high quality

Poor data quality costs businesses about $700 billion a year! When we talk about "high-quality data," we mean data that is accurate, reliable, consistent, and up-to-date. High-quality lead data helps your team make informed decisions, target the right prospects, and personalize the way you nurture leads, resulting in more effective lead management, improved conversion rates, and better overall business outcomes.

How do you make sure your Salesforce lead data is high-quality? Use validation rules, duplicate management, and regular data cleaning processes.

Validation rules let you set specific criteria for data entry. For example, a phone number must have a certain number of digits, or the "company name" field can't be left blank.

Salesforce's built-in duplicate management tools identify and manage duplicate records, helping to prevent extra marketing efforts and consolidate lead data into a single source of truth. Automatically checking for duplicate records is especially useful when generating and importing leads from several sources.

Data cleaning processes include auditing, standardizing, validating, and enriching data to ensure the information in your Salesforce instance is accurate and consistent. Good data hygiene gives you more accurate reporting and analytics, so your team can make informed decisions that drive better business results.

3. Set up lead scoring

Lead scoring lets you quantify how engaged and qualified a lead is as they move through the buyer's journey. You can identify and track the most promising leads by assigning values to actions like website visits, content downloads, demo bookings, or email interactions. Sales Cloud doesn't include lead scoring. For built-in Salesforce lead scoring features, you'll need Marketing Cloud Account Engagement powered by Pardot or Einstein GPT, a sales AI tool, both of which can be pricey additions. (If you have the Unlimited edition of Sales Cloud, Einstein GPT sales AI features are included. Third-party marketing automation tools like Marketo, HubSpot, and ActiveCampaign make setting up and monitoring lead scoring easier. At Calendly, we use Marketo to score leads. Here's how we do it:

> A lead fills out a form on the landing page for a piece of gated content, requests a demo, or fills out a "contact us" form built with Marketo, which we use for marketing forms, lead nurture, and lead scoring.The lead enters Marketo and Salesforce. Salesforce is our source of truth for lead and opportunity info. Marketo integrates with Salesforce, so everything stays up-to-date and consistent.Depending on the lead's industry, title, and other characteristics, they receive nurture emails with content that relates to their interests and needs.The lead scores points based on activities like replying to a sales email or attending a webinar.When the lead hits a score of 100, they're sent to the sales team to book a meeting.

Work more efficiently with automation and integrations

Salesforce comes with a variety of built-in automation options, ranging from simple plug-and-play setups to more complex code. And that's not to mention the third-party sales automation tools you can integrate with your Salesforce instance.

Salesforce Flow lets you automate processes by building workflows (called flows). Flows are automated processes that standardize and streamline routine tasks. You can use flows to trigger actions based on events (a lead books a call with a sales rep) or conditions (a lead is in your target industry).

For example, you can create a workflow to automatically notify a sales engineer when an opportunity reaches the "Demo" stage. The sales engineer receives an email or in-app notification with details like the prospect's name, company, and industry, so they can tailor the demo content accordingly.

Let's say you also want to automate parts of your lead qualification process, so you use Flow Builder to create a lead qualification flow. When a lead's budget exceeds a certain threshold and they're in your target industry, Salesforce automatically marks the record as "Qualified." This automatically assigns your top enterprise sales rep a task to follow up with the lead.

Automating time-consuming tasks gives your team more time to focus on what matters most: connecting with customers and closing deals.

When it comes to boosting productivity for revenue teams, integrations and automations go hand in hand. When you connect Salesforce with the other software in your sales tech stack, you create data flow between platforms, reduce manual work, and make your processes more effective and efficient. For example, at Calendly, we integrate Salesforce with Slack, and flows automatically notify sales reps via Slack when a lead is assigned to them.

Salesforce integrations for sales teams include:

- Marketing automation (like ActiveCampaign and HubSpot)
- Collaboration and communication (like Zoom and Slack)
- Data enrichment (like Clearbit and ZoomInfo)
- Billing and invoicing (like Stripe and QuickBooks)

- Sales automation and engagement (like Salesloft and Gong)
- Scheduling automation (like Calendly)

If your favorite software doesn't integrate directly with Salesforce, it may be available via Zapier. Zapier is a task automation tool that can connect more than 4,000 apps, letting you automate workflows across platforms.

5. Build dashboards to track your team's success

Salesforce dashboards give you a centralized view of important metrics, including the number of leads in each stage, average deal size, and sales cycle length.

Here are some key lead management metrics your sales team can track and report on in Salesforce:

- Lead-to-opportunity conversion rate: The percentage of leads that successfully convert into opportunities.
- Lead source performance: Which lead sources or marketing campaigns lead to the most conversions.
- Sales cycle length: The average time it takes for a lead to progress through the sales cycle.
- Win/loss ratio: The ratio of closed-won deals to closed-lost deals.
- Pipeline analysis: A comprehensive view of your sales pipeline, including the number and value of leads at different stages.

By tracking these metrics, sales teams can gain insights, identify areas for improvement, and make informed decisions to optimize their lead management processes in Salesforce.

Once your team identifies which metrics you want to track, build reports in Salesforce that capture the data for each metric. Customize filters, groupings, and date ranges to tailor the reports to your team's needs. Then, use Salesforce's dashboard builder to combine the reports into one display.

A shared KPI dashboard ensures everyone is working toward the same goals, provides a clear snapshot of the team's performance, and lets you quickly identify trends and bottlenecks in your lead management processes.

This "State of the Union" dashboard tracks KPIs like total closes, open pipelines, sales rep performance, and top deals in real time. Source: **Salesforce**

Automate lead routing

Manually assigning leads in Salesforce can be time-consuming for sales managers, especially if you have a high volume of inbound leads. Automated lead routing and assignment speed up that task — and your entire sales cycle.

When you set up automated routing, leads are automatically assigned based on predefined criteria, eliminating the need for manual intervention. Leads are quickly distributed to the appropriate sales reps, ensuring timely follow-up and reducing delays or bottlenecks. These automations allow your sales team to focus on engaging leads rather than spending time on admin tasks.

The built-in Salesforce lead assignment rules and automations are a solid starting point for lead routing, but what about automating lead qualification and booking? If you use Salesforce on its own, your reps might still be spending a ton of time on manual lead qualification and email back-and-forths to schedule sales calls.

That’s where Calendly comes in.

How to automate key lead management processes with Calendly

Your scheduling automation platform can be an excellent lead generation, qualification, and management tool especially when it integrates with Salesforce. Calendly’s Salesforce integration helps your team be more efficient and organized while creating a better experience for prospective customers.

When a lead books a meeting via a sales rep or team's Calendly booking page, Salesforce automatically creates a new lead, contact, or opportunity. If the lead already exists in your Salesforce instance, the event is added to their existing record.

What if you don't want to let just anyone book a meeting with your team? When you add Calendly Routing to your marketing forms, you can show scheduling pages only to leads who meet your qualifications, like prospects from specific industries or companies of a certain size. That way, your busy team can spend time on the most valuable deals.

Scoping and Prioritizing CRM Projects

Biting off all the requirements listed in Figure would not only be dangerous; it could sabotage a company's entire CRM initiative. After you list your CRM requirements and have a good idea of their required functionality, the CRM business sponsor or steering committee can actually cast them into discrete projects. Surprisingly, many CRM sponsors and project leaders forget this step and move straight toward trying to deliver the sum of all listed requirements in one fell swoop. Without scoping and prioritizing CRM projects, project managers lack overarching direction for prioritizing development activities, and application developers are free to arbitrarily add and change functionality during development. The results are usually disastrous. A scoping activity ensures that CRM projects are defined based on discrete requirements and are circumscribed around delivery expectations.

In the case of demand urgency, the customer support department might be overburdened. Thus the requirements pictured in Figure might be prioritized in the following way:

1. Implement Web-based self-service and FAQs.

2. Offer Web live-chat service and support.

3. Support outbound message management.

4. Automate workforce management to optimize customer support.

5. Provide CSRs with on-demand customer profiles using existing data.

6. Provide scripting for CSRs and telesales staff.

If, on the other hand, implementation complexity is an issue, and the company needs a CRM "quick win," the following prioritization might make more sense:

1. Provide CSRs with on-demand customer profiles using existing data.

2. Automate workforce management to optimize customer support.

3. Provide scripting for CSRs and telesales staff.

4. Implement Web-based self-service and FAQs.

5. Support outbound message management.

6. Offer Web live-chat service and support.

Of course, politics figures into the decision on how to prioritize CRM projects. After all, if your customer-support vice president and call-center director are fighting over whether external data is necessary for really understanding customers, you might want to steer clear of providing CSRs with customer profiles until the issue is resolved—no matter how happy it would make the CSRs. Although formally rating the political landmines of every project could be overkill not to mention highly subjective knowing the political baggage that accompanies each potential project can serve as a tiebreaker.

Most CRM scoping activities focus on delivering initial applications in order to hand over a "quick win" to the business. Applications with a high value-to-complexity ratio should rise to the top, and others can be prioritized accordingly. The complexity metrics will vary according to the availability of your company's existing technology and staff resources. For instance, companies that already have robust customer databases won't rate customer profiling to be as complex as those who must start from scratch. To correctly scope a project, simply rating its functional complexity is not enough. Ideally, you should understand the following: ➢ Specific technologies that will be involved in implementation ➢ Necessary skills to implement the project ➢ Number of staff members projected to work on the project ➢ Number of consultants needed to supplement in-house skills ➢ Realistic time frame necessary to deliver the first release ➢ Organizational boundaries and potential political issues Scoping a CRM project prior to launching development mitigates the risks. For one thing, it's much easier to develop an accurate project plan that reflects realistic resource requirements, tasks, and time frames. Justifying headcount requests to management based on the project's true scope is also easier. Finally, hiring becomes more straightforward, because the true skills necessary to develop the CRM system are clearer than they would have been if you had simply gone straight to implementation. In fact, failure to thoroughly scope IT projects is one of the principal reasons behind many of their failures.

QUESTION BANK

Course Code:	**20MBM308**
Course Name:	**CUSTOMER RELATIONSHIP MANAGEMENT**
Year / Sem :	**II / III**
Department:	**Management Studies**
Faculty:	**Mr.G.V.Hariharan**

UNIT - I

Unit - I / Part - A / 2 Marks				
S.No	**Questions**	**Mark Splitup**	**K – Level**	**CO**
1.	Define CRM.	2	K1	CO 1
2.	List the benefits of CRM.	2	K1	CO 1
3.	Classify the tools for CRM.	2	K2	CO 1
4.	Define Customer Intelligence.	2	K1	CO 1
5.	Define SLA.	2	K2	CO 1
6.	What are the avenues to manage SLAs?	2	K1	CO 1
7.	What is Customer Loyalty?	2	K1	CO 1
8.	Memorize Customer relations Optimization.	2	K1	CO 1
9.	How to acquire effective customers?	2	K1	CO 1
10.	How to calculate the Customer LifeTime Value?	2	K1	CO 1

Unit - I / Part - B / 13 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Explain the types of CRM and illustrate to identify the feasible methodology to retain the customer.	13	K2	CO1
2.	Explain in brief about CRM Marketing Tools with examples. Explain in brief about CRM Sales Tools with examples.	7 6	K2 K2	CO1 CO1
3	Enumerate the different Levels of SLAs and furnish the scope behind its management.	13	K2	CO1
4	Discuss the interconnection between CRM and Database Marketing so as to increase CLTV.	13	K2	CO1
5	Explain the process of calculating Customer LifeTime Value.	13	K3	CO1
6	Summarize the channels in which a customer could be acquired and its influence in increasing the customer loyalty.	13	K2	CO1
7	What is Customer Intelligence? Explain the ways in which customer outcomes are optimized.	3 10	K1 K2	CO1
8	How to create an SLA? Explain its inclusions with illustrations.	13	K2	CO1

UNIT II

Unit - II / Part - A / 2 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1	Define Customer Retention.	**2**	K1	**CO2**
2	How to determine customer profitability?	**2**	K1	**CO2**
3	Recognize event based marketing.	**2**	K2	**CO2**
4	What is Cross Selling?	**2**	K1	**CO2**
5	What is Up Selling?	**2**	K2	**CO2**
6	List the parameters to evaluate customer satisfaction.	**2**	K1	**CO2**
7	Infer the necessity of a call center.	**2**	K1	**CO2**
8	Quote the contribution of CRM in Marketing.	**2**	K1	**CO2**
9	How to predict customer behavior?	**2**	K1	**CO2**
10	How to optimize the channels which help to understand customers?	**2**	**K1**	**CO2**

Unit - II / Part - B / 13 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Distinguish between Cross Selling and Up Selling.	13	K2	CO2
2.	Explain in brief about customer profitability and value modeling.	13	K2	CO2
3	How to optimize the channels to acquire effective customers on board?	13	K2	CO2
4	Discuss the influence of CRM in Event based Marketing.	13	K2	CO2
5	Enumerate the concept of one to one relationship marketing.	13	K3	CO2
6	What are the methodologies in which a customer could be retained? Explain its parameters.	13	K2	CO2
7	How Call Centers are Influencing Customer Satisfaction? Explain its promotional activities.	13	K1	CO2
8	What is Customer Life cycle? Explain the phases in Customer Life cycle	13	K1	CO2

UNIT III

Unit - III / Part - A / 2 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Define ERP.	**2**	K1	CO3
2.	What is E- Commerce?	**2**	K1	CO3
3	How does the internet impact CRM?	**2**	K2	CO3
4	Define SCM.	**2**	K1	CO3

5	Define SRM.	**2**	K1	CO3
6	Define PRM.	**2**	K2	CO3
7	List the factors influencing online business.	**2**	K1	CO3
8	What is the value of CRM in promoting online transactions?	**2**	K1	CO3

Unit - III / Part - B / 13 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Explain in detail about supply chain management and its impact on CRM.	13	K2	CO3
2.	Discuss Enterprise Resource Planning with reference to Customer Relationship Management.	13	K2	CO3
3	Enumerate Supplier Relationship Management with the aim of linking CRM in e- commerce.	13	K2	CO3
4	Elucidate Partner Relationship Management with CRM tools.	13	K2	CO3
5	Discuss customer relationships on internet and brief the scope of CRM in e-commerce.	13	K2	CO3

UNIT IV

Unit - IV / Part - A / 2 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**

1.	Define Analytical CRM.	**2**	K1	CO4
2.	Infer Market Basket Analysis.	**2**	K3	CO4
3	Rephrase Customer Information Databases.	**2**	K3	CO4
4	State the importance of data mining.	**2**	K1	CO4
5	Define Data Warehousing.	**2**	K1	CO4
6	Recognize CRM implementation.	**2**	K3	CO4
7	List the merits of collaborative filtering.	**2**	K1	CO4
8	Define Clickstream Analysis.	**2**	K1	CO4

Unit - IV / Part - B / 13 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	How to acquire customer information databases? Explain Data Mining with suitable illustrations.	13	K2	CO4
2.	Discuss the legal and ethical implications of customer data utilization.	13	K2	CO4
3	Enumerate the personalization factors of CRM with suitable examples.	13	K2	CO4
4	Discuss the scope of MBA & its implications in CRM.	13	K2	CO4
5	Elaborate the importance of Clickstream Analysis and its impact on CRM.	13	K3	CO4
6	What are the real world applications of CRM?	13	K2	CO4
7	How to ensure CRM effectiveness through various metrics?	13	K1	CO4

Unit - V / Part - A / 2 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Define sales force automation.	**2**	K1	CO5
2.	Report on Journey Orchestration.	**2**	K1	CO5
3	Recognize field force automation.	**2**	K2	CO5
4	List the managing principles of customer relationships.	**2**	K1	CO5
5	Define Complacency.	**2**	K1	CO5
6	List the resetting procedures of CRM strategy.	**2**	K2	CO5

7	Infer CRM internal sales.	**2**	K2	CO5
8	Interpret the ideology behind CRM measures.	**2**	K3	CO5

Unit - V / Part - B / 13 Marks				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	What are the implications for the organizations and future CRM implementation and effectiveness?	13	K2	CO5
2.	Explain about business plan requirements and justify its process with examples.	13	K2	CO5
3	Discuss about managing customer relationships with sourced approaches.	13	K2	CO5
4	How to prioritize the development and delivery of CRM?	13	K2	CO5
5	Explain the factors influencing outsourced approaches of CRM.	13	K3	CO5
6	What are the success factors of sales through CRM implementation?	13	K2	CO5
7	Explain knowledge management with suitable illustrations.	13	K1	CO5

Unit - (I - V) / Part - C / 15 Marks [CASE STUDIES]				
S.No	**Questions**	**Marks Split Up**	**K – Level**	**CO**
1.	Even when SAMSUNG was the most preferred brand for smartphones, over a passage of time several other brands captured the market and it became difficult for the company to retain their customers as most of their customers switched to other brands. The marketing team identified that the root cause of the customer brand switching was to add on features and applications provided by the competitions. To overcome the problem SAMSUNG added several features that created more customer value, launched an ”application contest” where the customers who downloaded the applications maximum number of times in their smartphones would be gifted a SAMSUNG smart phone. These efforts helped SAMSUNG to acquire new customers and retain the existing ones. **Questions** a) Discuss the CRM concept used in this case b) Explain how the customer profit chain can be beneficial to SAMSUNG.	15	K5	CO4

2.	The UK. The Department for Education and Skills (DfES) is willing to enhance its efficiency by sharing information with its internal and external customers. For this, DIES has selected the CRM system as a test project in Corporate Services and Development Directorate (CSDO). DIES works in association with various government and non-government bodies. All these authorities are involved in developing policies for the education sector and providing funds to a DES requires a co-effective CRM system that would help the deportment deal with such issues Marver, it wants a system that provides easy access to information to its customersFor this DIES has selected Micro Dynamics CRM as its con CRM solution The CRM can be easily integrated with the technologies and maintained in-house. Moreover, Microsoft Dynamics CRM is available comparatively at low co be used as per the requirements of different user groups. Question Q1. What is the need to implement a CRM system in DfES? Question Q2. What would be the benefit of implementing a CRM system in DfES?	15	K5	CO4

3.	ABC Ltd, was a provider of Fast Moving Consumer Goods (FMCG) The organization was incurring huge losses consecutively for three years. Considering the ongoing issues it decided to hire a research agency to sort out the current problems. The agency conducted research to determine the root cause of the problem. After continuous efforts of a few months it was found that ABC was not able to maintain sound relationships with its customers. Therefore, most of the valuable customers of the organization switched to other brands Now, the CEO of the organization decided to conduct a meeting with the heads of different departments. In the meeting it was decided that the organization would apply various strategies to build strong relationships with its customers. The organization started providing financial incentives to its customers by offering products at lower prices. In addition, it focused more on providing better customer service and winning the trust of customers. By applying these strategies, ABC was able to generate huge profits and regain its valuable customers. Not only this, it was also able to maintain a huge customer database effectively. Questions A) Why was ABC incurring heavy losses? B) What are the objectives of Relationship Marketing?	15	K4	CO4

Course Outcomes

CO	Outcomes	K level
CO1	Remember basic concepts of Customer Relationship Management.	K1
CO2	Understand and gain insight into CRM functions.	K2
CO3	Apply strategy of CRM in organization.	K3
CO4	Analyze appropriate marketing strategy through CRM.	K4
CO5	Evaluate and implement appropriate CRM for product delivery.	K5