

# A Comparative Study of Features of Customer Relationship Management System

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**Abstract:** Customer Relationship Management system is now a very essential tool for any business of any field. With the increase in competition and with the availability of the varieties of products and services along with the offers that comes with them in the form of online offers or in offline offers CRM plays a crucial role in the success of any business these days. CRM deals with the study of the consumer needs and analyses the sales records of previous years of its lifecycle and shows its performance graphically for the previous years and also if it has sufficient data it can predicts its life cycle too in the upcoming recent months or even for years.

**Keywords:** CRM, Employee Cost, Store Cost, Transportation Cost, Predictive Sales Figure

## 1. Introduction

The implementation of economic globalization and e-commerce makes the enterprises to face sharper competition, especially the competition for the customer resource and superior customers enforce the customer disruption and customer loss. The study found that customer retention is the key to successful CRM strategy, and only when a customer be maintained over time, the strategy is profitable, and successful customer retention can reduce the enterprises to seek new and potentially risk customer's needs, enable businesses to focus on building customer relationships and to meet existing needs. Therefore, the face of current market conditions, companies must develop new customers, while customer retention study to proceed. Corporate funds to maintain existing customers can increase the amount of convergence, while saving necessary to induce customers into the enterprise the cost of advertising and presentations, thereby generating more cash flow and profits. Enterprise customers rely mainly on maintaining the success of this enterprise customers, the loss of the analysis and assessment, and thus to predict in advance the loss of some customers have the possibility of marketing strategy and then take.

The customer relationship management (CRM) refers to a kind of management strategies that the enterprise improves its interaction communication with its customer utilizing the advanced information technique, persists in customer oriented in order to optimize its resource allocation and reorganize its business process based on the continuously accumulation, management, analysis and utilization of customer information, provides comprehensive and individual service for customer to

improve customer satisfaction and loyalty, and realizes its relationship with customer to be optimized in the end [2]. So the CRM means that the enterprise has begun to transform its management mind and establish customer-oriented mind.

The CRM can optimize enterprise's organization system and business process recurring to apply systemic customer research. It can play important role at many areas, such as marketing, sale, service and technique support, and so on, in order to improve its relationship with customer. The CRM implies two kinds meaning. One refers to a kind of advanced information technique and system that the enterprise has established to collect, pursue and analyze customer information by technique invest. On the other hand, it also refers to a kind of comprehensive management methods and solutions which have been applied during the marketing management.

## 2. Related work

Customer relationship management, or CRM, are solutions that have emerged a decade ago in response to the competitive pressures that globalization and other forms of cross-industry, cross-geography competition were bringing about [1-3]. Since the world has been on the threshold of a shift from a transaction-based economy to a relationship-based economy, businesses have changed from being product-driven to customer driven [4-7]. CRM is a strategic approach for systematically targeting, tracking, communicating, and transforming relevant customer data into actionable information on which strategic decision-making is based. While most business organizations collect customer data, this data usually is housed in separate departments and is not linked throughout the whole CRM enterprise [5].

Organizations implementing CRM are realizing the strategic role of quality customer data in the decision-making process [8-10]. The issue of data quality concerns arises when one wants to correct anomalies in a single data source (e.g., duplicate elimination in a file), or when one wants to integrate data coming from multiple sources into a single new data source [11].

Data quality has been an issue of interest to practitioners and researchers for many years. Significant effort has gone into defining what is meant by data quality [12-16]. Over time techniques and procedures have evolved, designed to leverage

Table 1  
Types of customer data

Types of Customer Data	Characteristics	Strengths	Weaknesses
Demographic	Gender, age, marital status, income, home ownership, dwelling type, education level, ethnicity, presence of children	Very stable, less expensive.	Difficult to get on an individual basis with a high degree of accuracy.
Behavioral	Sales amounts, types and payments dates of purchase. Customer service activities.	Most predictive.	Most difficult and expensive data to get from an outside source.
Psychographic (Attitudinal)	Opinions, lifestyle characteristics, or personal values.	An added dimension to predictive modelling. It can offer some improvement. It is also useful for determining the life stage of a customer or prospect.	It denotes intended behaviour that may be highly, partly, or marginally correlated with actual behaviour.

Table 2  
Data quality and integration tools

Data Quality and Integration Tools	Description
Data Access	Tools that reach into RDBMSs and non-relational data stores to provide single relational view of data.
Data Movement	Moves data from IMS, VSAM, DB2 OS/390 platforms to Oracle, SQL Server, Sybase and DB2. And, transforms non-relational to relational.
Data Warehouse Mapping and Transformation	Tool to develop, test and execute data transformation routines for database, and automatically generates code to enable easy management of even the most complex transformations of all types of data, including complex flat file applications.
Data Conversion	Tools for converting data among hundreds of formats and applications.
Data Quality and Cleansing	Tools for data consolidation, verification, standardization, augmentation (batch and near-real time processing), data profiling, linking, and change management in real-time and batch modes.
Meta-data Management	Tool that captures, models, maintains meta-data from disparate sources (including, Web-enabled search/impact analysis), stores multiple models and versions.

and to make sure that the level of customer data required by transactions processing systems is of appropriate level of quality [12, 17- 19]. Gartner Group reported in 2002 that at least 70 percent of organizations undertaking a CRM strategy are unaware of data quality problems [20]. A review of literature pertaining to organizations that have already implemented CRM strategies indicates that more than half of CRM projects have failed because of the complex data quality and data integration processes [8, 9, 21-23]. The terms data and information are often used synonymously; in practice, managers differentiate information from data intuitively, and describe information as data that has been processed in some manner [24]. Unless specified otherwise, this article will use “information” interchangeably with “data.”

### 3. What is required from CRM?

In today's competitive business environment where real-time customer information must be met with real-time response, organizational data quality and data integration are critical concerns [5, 11, 25]. Our study of many businesses that have already implemented CRM applications affirms that the propensity of these businesses to avoid or ignore the importance of data quality and data integration processes (including all transactions, interactions, and networked touch points) has been one of the reasons behind the major failure of CRM projects.

Over the past two years, the authors have undertaken a series of studies to examine the CRM phenomenon. Receiving special attention has been the study of data quality and data integration processes for CRM applications – how organizations are supporting their CRM projects to realize strategic business goals. The authors investigated the issues and problems companies face over the collection of customer data and the

integration of this data, and the problems associated with types of customer data companies collect. Table 1 provides a quick reference and comparison of the three main types of customer data.

An existing huge number of data quality and data integration tools are available in the market. Each tool has its strengths and limitations. This adds further complications to the above problem. In their investigation the researchers tried to classify the existing data quality and data integration tools (Table 2). The objective is to find out how CRM implementers select these tools to support their CRM applications.

### 4. Conclusion

This paper concludes that A Comparative Study of Features of Customer Relationship Management System.

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