ANALYZING OF ELECTRONIC CUSTOMER RELATIONSHIP MANAGEMENT SYSTEM IMPLEMENTATION (A CASE STUDY: BANK SADERAT IN TEHRAN PROVINCE)

Narges Delafrooz*

Mohammad Taleghani**

Davud Yaghubi Khorramdare***

Abstract

CRM means customer relationship management system. In fact this system is a guideline for collecting and recognizing needs and commercial behaviors of customers so that make these relationships strengthened . the key factor for successful work and business was that of focus on people and close relationships with customers. This research is aimed to analyze the outcomes of electronic customer relationship management (E-CRM) system implementation in the Saderat Bank of Tehran city from customers" perspectives. A full-scale field survey and questionnaire designed by researcher was then conducted for analyzing data . After compiling and gathering a questionnaire , the preliminary test were conducted and Moreover, Cranach's alpha of each construct was calculated to check the instrument's reliability . total scores of service attribute 's alpha was 0.86 and for service quality 0.73 thus from results value indicated the measurement models calculated reliable and the questionnaire is of the acceptable standard level .type of used test for comparing and examining variables is regression that has been processed by SPSS software. According to path analysis results, e-CRM carrying out has a positive relationship with all ingredients of relationship quality and result (trust, obligation, readiness to endorse and satisfaction) of customer Saderat bank relationships. In addition it is investigated that customer

* Department of Business Management, Rasht branch, Islamic Azad University, Rasht, Guilan, Iran

** Department of Industrial Management, Rasht branch, Islamic Azad University, Rasht, Guilan, Iran

*** M.A.student of Business Management, Rasht Branch, Islamic Azad University, Rasht, Guilan, Iran

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based service attribute model has a statistically significant positive impact on customer –bank relationship quality ad results (trust, commitment, loyalty and satisfaction).

KEY WORDS: e-CRM electronic customer relationship management system , service quality and service attribute.

Introduction

During recent years we have been observed a widespread new appearance of tools and systems as electronic customer relationship management system by which to gain competitive advantage , big companies are now moving to a new orientation as customer centric orientation which has the capability to treat every customer individually and uniquely. Marketing exchanges have shifted from transactions to relationship since the core of relationship marketing is to develop and maintain long term relationship with customers rather than simply a series of discrete transactions . hence those organizations are more successful which guide their goals and opinions towards it and internalize this concept in its own and finally being counted as pioneers . in other words customer based service ascribe figures a company in competitive market at superior and frontier line . electronic customer relationship management system is an effective tool for presenting on time customer based services and appropriate bed for nourishing the best customer based services as well as smooth road to win the decisive victory in competitive battle . a discussion on electronic customer relationship management is concluded from one of fundamental changes in beliefs and commercial paradigms (Jahanian 1386 , 30).
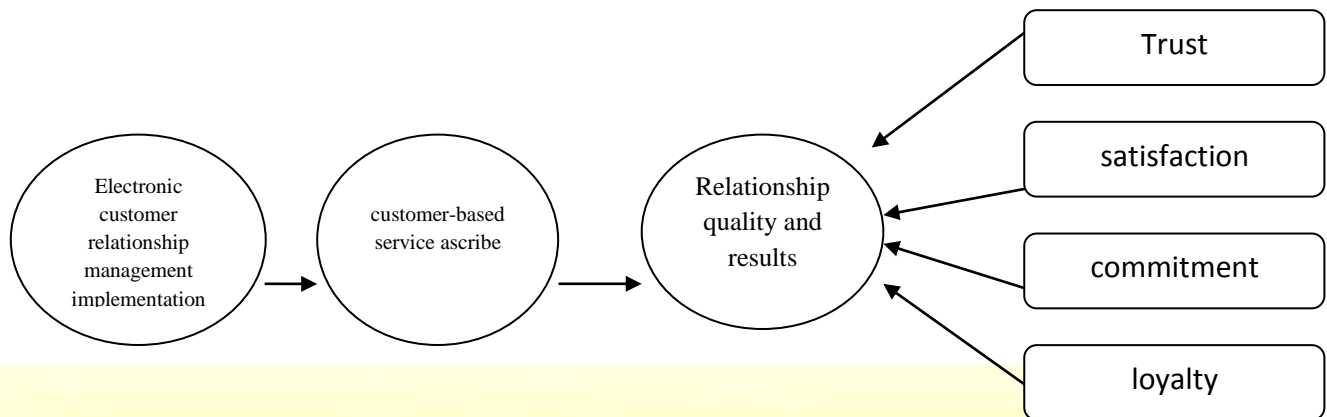
If customer relationship management has been implemented successfully , it could be ended and caused conscious management which in turn lead to increase organization's income through taking information and reinforcing organizational knowledge to facilitate resource allocation and find the best solutions and customization . this is evidenced by banks , too ; since customer is vital effect for banks and society expect from banking system, not only to try implicitly attracting deposits and allocating appropriately them into useful and applicable economic activities to bring a return for banks and credit associations , but also move along with all aspects of economic and social progressions so that step effectively to meet customer needs and mass customization and adopt itself with society needs. Customers are the core of banking system and fact that all

attempts have been done just for attracting their attention and meet needs. Therefore in competitive space among banks , those banks are more successful who increase customer loyalty at bank . on the other hand , regarded to increase sensitivity of customer to delivery bank , services , customers want always better and more desire services (Beigi 1385 ,48).

Since continuous communication and information technology progression , we have been encountered by a new concept of customer relationship management and that is Electronic customer relationship management. Therefore, e-CRM has been specified as a part of online distribution and marketing strategy that provides the seamless integration of different.

activities for anticipating, understanding, and meeting customer needs . Mass customization , customer profiling , self service , one to one interaction and automatic locks in flow of financial data like security prices which ultimately results in reduced cost of operation and increased customer loyalty and more profits . staff training and customer feedback is considered as backbone for successful implementation of E-CRM strategy. CRM integrates sales, service, enterprise resource planning through business process automation, technology solution and information resources to maximize each customer contacts. For a successful company and bank , customers are the most important and they must be looked after and served properly. CRM is a software which gives a company valuable information ,profiles , records and background from every contact at the most basic and top level to get maximum benefits by using this tool. E-CRM is to retain customers ,improve customer service and assist in analytical capabilities which provides support to valuable customers to remain loyalty , E-CRM comprises of hardware, software , processes and applications to manage all these issues . this research examines the impact of Electronic customer relationship management and also its impact on practical quality of Saderat banking industry from customer perspective (Sivaraks, Krairit and Tang, 2011).

conceptual model of research :

Trust

satisfaction

Electronic customer relationship management implementation → customer-based service ascribe → Relationship quality and results

commitment

loyalty

- **Objectives :**

1. determining effectiveness of Electronic customer relationship management implementation (e-CRM) on customer-based service attributes .

2. determining effectiveness of Electronic customer relationship management implementation (e-CRM) on the overall relationship quality and result of customer relationship management .

3. determining effectiveness of customer-based service ascribe on the overall relationship quality and result of customer relationship management .

Literature Review

1. Electronic customer relationship management

CRM is abbreviation of Customer Relationship Management . in fact it is a strategy for integrating needs and commercial customer behaviors to lead to make and facilitate stronger relationships among them. Finally get into strong relationships with customer is the most important and successful key of all business. CRM is comprised from 3 main sections as customer , relationships and management (Aghadavud and Aghaee , Bruce and longen 1987).

2. Customer relationship management system implementation

Customer relationship management system is one that helps company making long-term relationships with valued customers (Shahraki et al 1388). in order to apply this variable in questionnaire , at question number 3 and 4 , there considered items such as automated teller

machines (ATMs) , sales terminals , mobile banking , e-mail bank and OTP decoding as well as Frequency of use .

3. customer-based service attribute

seven ingredients, referred to in this study as customer-based service ascribe, were discovered to reflect the customer's identification of his or her main bank's e-CRM as follows :

1. close interaction chance among bank and customer

2. their main banks present complete ,relevant and useful customer information

3. their main banks supply them with personalized information and service.

4. they can get up-to-date information from their main banks

5.they can contact their main banks from anywhere, at any time

6. Receive services with the least steps

7. Get information while get services (Sivaraks, Krairit and Tang, 2011).

for examining this variable of question number 7 , all of service ascribe ingredients , explored from base article of thesis , have been included in new designed table . These ingredients could be grouped according to 3 factors: information, comfort, and ideas channels by which the considered items have been measured.

4. Quality relationship and result of customer relationship management

The results of electronic customer relationship management system are as :

1. Increasing overall quality of banking services

2. Increasing trust of customers

3. Increasing satisfactions of customers from services

4. Increasing obligation to bank

5. Customer retention

6. Increasing loyalty of customer to bank

7. Encourage customers to offer suggestions (Sivaraks, Krairit and Tang, 2011) .

For measuring results of service ascribe , we design relevant table at question number 8 in which there have been included 4 main parameters as trust, satisfaction, commitment and loyalty of customers in 16 different items .

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Research Method

This research examines the results of electronic customer relationship management (E-CRM) system carrying out in the Saderat bank from customer outlooks. After preparing questionnaire , a full-scale field survey of customers of Saderat bank of Tehran city was then directed that statistical universe included all customers of Saderat bank of Tehran city from which 348 individuals have been chosen as sampling population. In order to maintain sample size , we use Cranach's alpha then the collected data and information have been analyzed by SPSS software . after that general conclusions about each question will be made and finally the implications for further research will be suggested in this chapter.

Research findings :

Table 1: Result of Regression

	Regression	Significance level	Frequency
electronic customer relationship management (E-CRM) system	1	.001	357
Electronic service attribute	.247	.001	334
Relationship quality and outcome	.288	.001	337

Table 2: Descriptive statistic of variables

		Mean	Std.Error	Variance
Service quality attribute		2.1136	.04171	.6183
Relationship quality and outcome		2.2369	.03923	.5278
	Trust	2.0658	.74094	.54899
	Satisfaction	2.1566	.80181	.64289
	commitment	2.3008	.05063	.87404
	Loyalty	2.4193	.04337	.64503

Conclusions :

The most beneficial and appropriate strategy for banks is customer centric guideline. E-CRM increases customer loyalty because information stored helps company to look actual cost of winning and retaining the customers . by this information company save time and resources for most profitable customers . finally company can shorten the sale cycles and increases customer loyalty to lead to close relationship and gain high benefits and income. E-CRM system helps to retain old customers and absorbe new customers . one of the most important expectations of people from banks is operating speed and decreasing waiting time . among competitive space inter banks , the banks are more successful who acquire more loyal customers. Unfortunately , our country always move farther back than the universe in absorbing and using technology , but banking system must supply necessary services of existing national society with regard to market structure and causes quick growth and development and ensure national economic welfare . If we have been equipped and mobilized with the best tools but we have not suitable and proper contact and interaction with customer , it will certainly be affected negatively on our company or bank. Nowadays customers ask us quick services and well mannered and the best advertisement is always good operation served behind the counter of bank.

This study helps in filling an area of empirical research on e-CRM measurement from the customers' side, which is absent, specifically in the service industry. It supply's a measurement model of e-CRM carrying out from the customer view. 'Customer-based service ascribe' was developed as a construct to quantify e-CRM results from the customers' points of view. The factor analysis results demonstrated that three factors of customer-based service ascribe (information, comfort, and ideas channels) are central to an evaluation of the customers' feeling of Tehran Saderat bank' e-CRM carrying out. As conclusions of present study approved , Tehran Saderat bank's e-CRM carrying out affects significantly on factors of customer-based service ascribe (information, comfort, and ideas channels) . In addition, this study show that the ingredient that frequently include relationship quality trust, satisfaction, and obligation–are significantly correlated with the ingredient of relationship results—customer loyalty, and readiness to endorse. Thus, this research integrated constructs of relationship quality and relationship results and leads to increase trust , obligation and satisfaction of customers . this study confirms results from Sar'afrazi research (1386) who concluded in his investigation that e-

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CRM carrying out causes an increase of commercial benefit and its return on capital , customer retention ,extension and aqcuisition . This research ratifies (Sivaraks, Krairit and Tang, 2011) , they found in their investigation on commercial bank of Thailand , that Thailand bank's e-CRM carrying out caused growth in customer-based service ascribe (information, comfort, and ideas channels) and thus development of relationship quality as loyalty, trust, satisfaction, and commitment.

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