

Customer Relationship Management Within the Pharmaceutical Industry



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Executive Summary

Introduction

The introduction section serves to explain the history and background of Method Pharmaceuticals and how it has managed to grow at such a high rate in the generic pharmaceutical industry. Even though they are a relatively small company with few employees, they still managed to increase the variety of products they manufacture from six to 48 items within the span of two years. By not having a formal CRM process, Method is subject to experiencing difficulties with managing customer relationships later on, as the company progresses through its lifecycle. Although Method is a relatively new company, they are gradually taking steps to leave their imprint within the generic pharmaceutical industry, and may one day have the capability to be among the market leaders.

Methods

The Methods section covers exactly what CRM is, what functions a CRM system serves, the different components of CRM itself, and the benefits and uses to be gained from using a formal CRM system. To illustrate these points, two different types of systems, cloud-based and software based, are compared and contrasted to assess how they may, or may not be beneficial in a given context. A CRM system is ultimately used to manage the customer relationships of a company, and does so by streamlining and automating the process using technology. Customer relationships are an integral part of any company.

Results

The Results section incorporates the interview conducted with Darla Day, Vice President of Sales & Marketing at Method. A brief history of Ms. Day's work experience and skill sets are discussed within this section. CRM is utilized at Method Pharmaceuticals to establish new relationships, increase the bonds of old ones, and identify customer trends that lead to reductions in costs. A real world application that Method uses for CRM is attending the ECRM conference every year, as doing so has shown in the past to promote company growth. At this conference, Method and many other companies of the same caliber meet up to network and share information. Method has had fantastic results from attending this trade conference in the past.

Discussion

The discussion section highlighted the fact that Method has no formal CRM system in place, and that there may come a time within its life cycle to implement one. Method's current approach to handling customer relationship is somewhat manual and "hands on". The system works for Method due to its smaller size, and has yielded impressive results for the company. As the company continues to grow however, some pitfalls for the current approach are bound to show themselves. We highlighted the strengths and weaknesses of Method's current approach. We found that this approach allows the company to develop personal relationships with customers more easily. The company has achieved success due in part from their involvement in ECRM. Despite this, the company would undoubtedly operate more efficiently with a formal CRM system in place. Ms. Day has shown interest in implementing a CRM system, but is worried that the cost of implementation would be too high, and that training employees would likely be too time consuming. One lesson in particular that was learned from conducting research and comparing it to the findings within the interview was the fact that a properly selected CRM system used by any company can result in reductions in costs and increases in potential profits.

Introduction

History & Background

Method Pharmaceuticals LLC was first founded in 2012, and its administrative headquarters was incorporated in the city of Fort Worth, Texas in 2015. With a mere six employees total working within the administrative headquarters, they are a relatively new contender within the generic pharmaceutical industry, having only been in operation for just over five years. Method Pharmaceuticals specializes in the manufacturing, marketing, sales and distribution of generic pharmaceuticals to entities such as wholesalers, consortiums, and/or group purchasing organizations (GPOs) that generally focus on fulfilling the consumer demand for such pharmaceuticals at their retail locations. Method produces both over-the-counter medications, such as anti-inflammatory or common cough/cold medications, as well as prescription-only generics such as Losartan, and Gabapentin. According to its company website, Method prides themselves in being able to generate the most cost effective products while maintaining the highest level of quality to their customers.

Current Information

Method Pharmaceuticals operates as a business-to-business (B2B) for profit company. Ranging from the development and manufacturing of its products, to marketing, selling, and distributing them, Method Pharmaceuticals has made notable strides toward becoming a serious contender within its industry. Due to increased production capabilities resulting from the construction of its new manufacturing plant, along with the perpetual acquisition of mutually beneficial relationships with new buyers of its products, Method has acquired the means to price their products at a highly competitive rate, which has resulted in the company being able to provide its customers with additional leverage against their own competitors. Due to the increase

in the number of customers interested in doing business with Method, the company has observed a natural growth within the variety and volume of products they manufacture. For instance, in 2015 Method had the means to manufacture and sell only six different product lines to its customers. Two years later in 2017, they managed to increase this number to 48 different product lines, (Method Pharmaceuticals - ECRM 2017). At this growth rate, Method Pharmaceuticals will steadily start to become an up-and-coming supplier of generic pharmaceuticals.

Problem

The major underlying problem that Method Pharmaceuticals currently faces with respect to managing its customer relationships is that the company has not yet implemented a formal CRM system into their business. Despite not having a formal CRM system, Method is still committed to providing a high level of service to its customers, but this may prove challenging without a company-wide framework that all involved employees can use to provide such service.

In the broadest sense, CRM is practiced by companies to make sure that all customer related matters are addressed and sorted out in the fastest, most efficient manner possible. The decision as to which style of CRM system should be used by a given company should be left up to the company itself, based on factors such as the requirements it needs out of the system, or the company's budget allocation for CRM. Given that there are many variations of CRM processes that can be utilized by businesses of all sorts, even a small company such as Method could very



likely capitalize off of having one implemented. Having a reliable and fully-functional CRM system in place would give Method the ability to expand its customer base even further than it already has, all the while still being able to deliver quality customer service.

Method

What is CRM?

“Customer Relationship Management refers to practices, strategies, and technologies that companies use to manage and analyze customer interactions and data throughout the customers lifecycle” (Rouse). With the goal of improving customer service relationships and retaining customer satisfaction, Customer Relationship Management drives sales growth by creating a thorough description using data of each customer that can be used to analyze and find trends.

Customer Relationship Management systems assemble customer data across various channels using methods including company websites, telephone, live chat, direct mail, marketing materials, and social media. This enables the company to find detailed information on customers’ personal information, purchase history, and/or buying preferences, in an effort to better understand the customer and discern the optimal allocation of resources that will generate the most profit.

THE EVOLUTION OF CRM SYSTEMS

From typewriters to Artificial Intelligence



The main effort of just about any Customer Relationship Management process within any business is to generate the highest levels of customer satisfaction possible by developing long-term relationships and partnerships with the customer base. It is a proven statistic that it is significantly more costly to invest time and resources into gaining new customers, rather than retaining old customer relationships. The adaptation of CRM systems and processes within businesses has drastically increased compared to recent years. A study by CSO insights shows that “CRM use has increased to 82.9 percent from just shy of 50 percent 10 years before. Companies are looking for CRM to do everything from streamlining their workflows to expanding and deepening their customer base” (FELIPE-BARKIN).

Components of CRM

There are three primary components of Customer Relationship Management: sales force automation, customer service/center management, and marketing automation. All three stages each serve individual purposes and roles within the CRM system as a whole, and all three are equal in terms of importance.

The Components of CRM



Lakshmi Mohan

Customer Relationship Management

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Sales force automation (SFA) helps automate the business tasks associated with the sales process, such as inventory control and sales processing, which helps to address any issues that might come up during a product's lifecycle. This typically involves the use of telephone sales, retail, and distributors, to collect data which will then be analyzed to form metrics for such things as sales forecasting and sales performance. Sales force automation is generally comprised of a web database, an email package, and customizable templates for easy to use performance.

Customer service and center management oversee specific customer service issues, such as receiving complaints, or providing feedback. Additionally, CS/CM is also responsible for resolving customer issues, in which case they may decide to send out a field service mechanics if need be. Customer service and center management may also be web based, so for instance, if a business places a survey at the bottom of their receipts, they can potentially accumulate constructive feedback from customers. This component is very crucial because they have direct contact with customers on a daily basis, and need to provide extraordinary customer care.

“Marketing Automation Customer Relationship Management tools with marketing automation capabilities can automate repetitive tasks to enhance marketing efforts at different points in the life cycle. For example, as sales prospects come into the system, it might automatically send the prospects marketing materials, typically via email or social media, with the goal of turning a sales lead into a full-fledged customer.” (Rouse 2013). As evidenced by the quote, marketing automation is another key component in CRM for the simple fact that it effectively cuts down on wasted time for repetitive tasks by automating them, so marketing efforts can be focused on other areas, and employees can focus on marketing to new potential customers.

Reasons to Use CRM

There are many reasons to have a good Customer Relationship Management System in place. One reason being customer service. The main purpose of a business is to satisfy customer needs, and in order to do that you need a set of procedures, and tools to do that. Another reason to have Customer Relationship Management is it helps grow your business. “You may use the Customer Relationship Management to direct sales people to cross-selling or up-selling activities. You may use the Customer Relationship Management to identify new product or market opportunities. You may use customer relationship management to simply improve the efficiency of your sales organization so that they can increase top-of-funnel opportunity creation. Increasingly, successful companies have turned to inbound marketing, which is the use of your website and search optimization combined with a content curriculum to nurture customers from suspects to qualified prospects.” (“6 Reasons Why Your Business Needs CRM” 2015).

Another reason is customer intimacy. This involves tailoring products, services, and customer engagement to meet your customers needs. Customer Relationship Management can help store all useful customer information, which can then turn into more targeted marketing,

product development, and innovation. It also helps with knowing customers names which adds a personal touch if you're able to, this shows the customer that you care, and are there to serve their needs, and meet their expectations.

“CRM is all about keeping your relationships strong, whether it be with a client who has been with the firm for years, or a hot new prospect. A good CRM system can provide you with critical reminders of promises that you've made, notes on previous conversations, and even background information on the client's hobbies, likes and family” (Needleman 2018). So as Needleman states having a good Customer Relationship Management allows you to connect with your customers on a very personal level which shows care and compassion which goes a long way in the eye of the consumer.

Finally, the last reason to have a solid Customer Relationship Management system is the amount of data you can get from it, and then turn that data into information. So now that you have all that information it turns into potential market growth, and introduction into potential new markets. That data can also turn into good sales reports, which in turn can help with future forecasting, and improve overall logistics in the supply chain. So all in all Customer Relationship Management helps satisfy all your customers needs, even without dealing directly with your customers.

Types of CRM Systems

Software Base

When it comes to software based Customer Relationship Management a big chunk of the market share goes to Microsoft. “Microsoft has sweetened the deal for subscribers of its customer relationship management platform.” (Hernandez 2014). Microsoft is one of the largest

software companies in the world so it's a no brainer that they have very useful software products that businesses are able to use for their own customer relationship management systems.

Applications such as Microsoft Access gives businesses the ability to have a database and the features Access are endless. They can keep and store customer information such as addresses, emails, phone numbers etc. There is also features that allows them query data so they can access customer information in a certain region, if there's an issue with a certain shipment for a customer they can easily get that customer's information, and contact them to fix the problem. That is just a few of the features Microsoft Access is capable of.

Another software base Microsoft has is Microsoft Excel. Excel is a very helpful tool when it comes to creating sales reports, and gathering specifically quantitative data because the use of all the built in formulas it has it can turn all of that data into very useful information. Excel is also very helpful for when it comes to making charts, and graphs which can provide even more useful information because it provides a graphical representation of the data it can help the business find weak points in a process. This is useful in Customer Relationship Management because it can better help customer focus in areas of the supply chain that may be weak, and it will help allocate funds to different customer based initiatives or in other areas of the business.

	D	E	F	G	H	I	J
	Activity Type	Subject	Regarding	Priority	Start Date	Due Date	
1	Task	Schedule an appointment with customer (sample)	Maintenance re	High	1/9/2016 4:00	1/9/2016 4:00	
2	Task	Evaluation Plan agreed upon (sample)		Normal	1/10/2016 4:00	1/10/2016 4:00	
3	Phone Call	Likes some of our new products (sample)		High	1/10/2016 6:00	1/10/2016 6:00	
4	Phone Call	availability of Product catalogs (sample)		High	1/12/2016 4:00	1/12/2016 4:00	
5	Phone Call	Call the customer with relevant information (sample)	Average order	High	1/12/2016 4:00	1/12/2016 4:00	
6	Phone Call	Call back to understand the problem (sample)	Complete over	High	1/12/2016 4:00	1/12/2016 4:00	
7	Task	Ask Regional Manager to Call Back (sample)	Maintenance t	High	1/12/2016 20:00	1/12/2016 20:00	
8	Phone Call	Call back to understand the request (sample)	Product feature	High	1/13/2016 4:00	1/13/2016 4:00	
9	Phone Call	Call back to understand the problem (sample)	Missing parts	Low	1/13/2016 4:00	1/13/2016 4:00	
10	Task	Escalate to the delivery team (sample)	Defective item	High	1/13/2016 6:00	1/13/2016 6:00	
11	Phone Call	Very likely will order from us (sample)		High	1/13/2016 8:00	1/13/2016 8:00	
12	Task	Pain admitted by sponsor (sample)		Normal	1/13/2016 16:00	1/13/2016 16:00	

Microsoft Access, and Excel are also very useful when used together because it gives users the ability to import data from the application. This is useful to business because it can easily transfer data between the two applications very efficiently and then employees can get back to focusing on customers instead of having to transfer all the data by hand. Another reason why this is helpful is because it eliminates possible errors occurring if an employee has to transfer it by hand which in turn can compromise customer information by making the information incorrect which turns into very poor customer service.

Cloud-Based

A cloud-based system is when a Customer Relationship Management software is stored in the cloud and can be accessed remotely through the internet or an application. This makes it easier for all users to access the information at any time and from any location. Because of the uprise in technology and how it is being used in business processes, many corporations are implementing a cloud based CRM system that utilizes technologies total capabilities. For

example, Oracle has begun enhancing their customers experience by implementing artificial intelligence into their cloud-based system. They believe “AI capabilities enable customer service, sales, and marketing professionals to make quicker, better decisions” (Smilansky). For marketers, AI can analyze business data at a faster rate to find a target audience and provide the best possible product or promotion to offer to the end user. For the sales team, AI help guide reps to close more deals by adapting there data to live events which optimizes customers pricing.

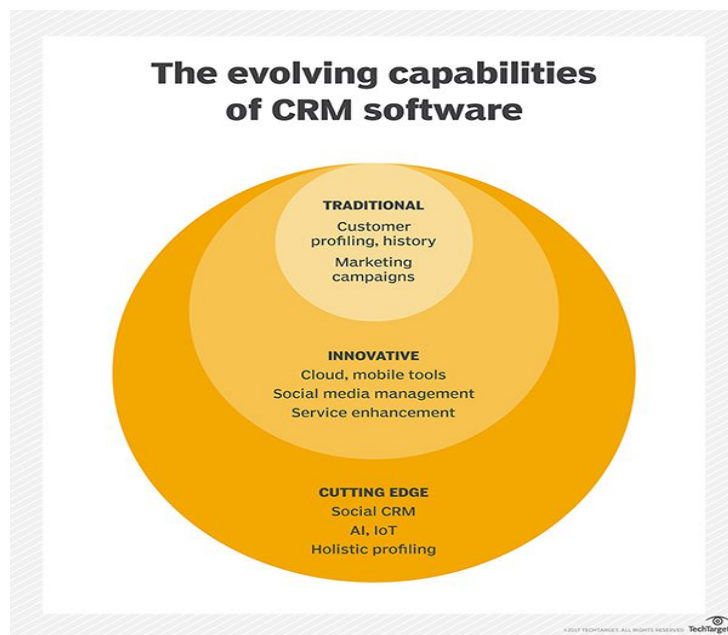
Companies may also use a cloud-based system referred to as SaaS, Software as a system, because it is much more cost efficient when first implementing and “is even more appealing

when compared to traditional technologies used for small- and medium-sized businesses, which lack the resources to invest in their own hardware and software”

(You-Shyang). SaaS refers to a business model for customers to use applications, hosted through the internet, to provide a service. This is practically hassle free for installation,

as long as you have connection to the internet, and can reduce costs because companies do not need hardware or software maintenance, nor do they need permanent IT personal on site.

Employees can access the database around-the-clock remotely by logging into a software package, bought at a fixed monthly price, and perform system maintenance. There are also no



hidden costs when implementing a cloud-based system, like buying additional hardware or licensing fees.

Results

The representative of Method Pharmaceuticals we solicited to interview is Vice President of Sales & Marketing, Darla Day. Darla has worked within the pharmaceutical industry for nearly 30 years, starting her career as a sales representative at a corporation formerly known as Novopharm. She gradually worked her way up the sales totem pole within the pharmaceutical industry as she moved from company to company due to various reasons, such as company buyouts or receiving new and enticing job offers. Ms. Day has accumulated decades of knowledge and experience in dealing with the management of customer relationships throughout her lengthy career, so she served as a perfect candidate to interview about the topic of CRM. It was decided that our interview with Ms. Day would be conducted face-to-face with her at her home in Bartlett, IL. The members of our group that met at her home to participate in administering the interview were Daniel Wilson, John Acton, Jeremy Watson, and Marcus Diaz.

How CRM is Utilized at Method Pharmaceuticals

As previously mentioned within the introduction, Method manufactures, markets, sells and distributes its generic pharmaceuticals strictly to other businesses, which, for instance, may include wholesalers, consortiums or GPOs, who then sell the product directly to consumers. In other words, Method has no direct contact with the end-users who consume their products, and thus, focus solely on managing the relationships up and down their supply chain, as well as establishing new relationships with prospective companies to sell to. When asked if Method

Pharmaceuticals had a formal system or process in place for CRM, Ms. Day stated that they did not, but the company plans on considering its options to adopt one as they continue to grow.

Despite not having a formal system in place for CRM, Method still undergoes several measures to maintain positive relationships with its customers. Ms. Day explained the process by which they create and manage their customer relationships: “We subscribe to a service that monitors market share and trends within our industry in order to determine which customers to target. Once a group of viable customers is selected to be targeted for a new product launch, we solicit historical utilization (demand) data from each respective company in order to assess their level of demand for our products. We maintain communication and coordination via email, phone solicitation, and personal sales visits to their respective offices in attempts to educate them on our business practices and what products we have to offer. Once a customer makes a purchase from us, we continuously monitor their respective sales reports, and design our marketing programs to be certain our customers’ end users demand needs are met. In addition, we attempt to routinely keep each customer up to date on our current pricings and product line.”

Real-World Application of Method’s Use of CRM

Each year, Method invests a substantial sum of money to attend a national trade show known as Efficient Collaborative Retail Marketing (ECRM). ECRM utilizes a process known as Efficient Program Planning Sessions (EPPS) which systematically categorizes and prequalifies each company in attendance based on its product focus and capabilities. This is done so that each company can be strategically profiled and then matched to other companies of the same size and scope. To simplify, each respective supplier in attendance is matched up with dozens of different buyers within the same class of trade, and vice-versa, to form a personalized meeting schedule

for each company. These meetings occur all day over the course of four business days, with the ultimate goal of streamlining the buying and selling process between companies within the same industry, which results in efficient reductions in time and money expended.

While the ECRM trade show is not a means of CRM that is exclusive to Method alone, it still exists as one of the primary efforts that Method undergoes in its current state to facilitate managing its customer relationships, so it is worthy of discussion in this case. Ms. Day informed our group that the first year Method attended ECRM in 2015, the company only manufactured and sold six different product lines due to its small size and meager production capabilities. By attending ECRM for the first time in 2015, Method successfully made contact and generated new relationships with over 50 separate potential buyers of their products, which eventually resulted in Method being able to produce a total of 20 brand new product lines by the same time next year in 2016. With such a monumental success resulting from attending its first ECRM trade conference, Method decided to attend the conference once again in 2016 to see if it could replicate its initial success once more. The company saw even more success than that of the previous year. Method attended the conference again and created additional new relationships that played a substantial role in increasing their product line by a margin of 22 as compared to the year prior.

PRODUCT GROWTH

Method Pharmaceuticals is developing a large pipeline of approved products.

- ▶ ECRM 2015 - Method had 6 Products
- ▶ ECRM 2016 - Method has 26 Products
= \$600 Million in IMS Data
- ▶ ECRM 2017 - 48 SKUs
= \$ XXX Billion in IMS Data

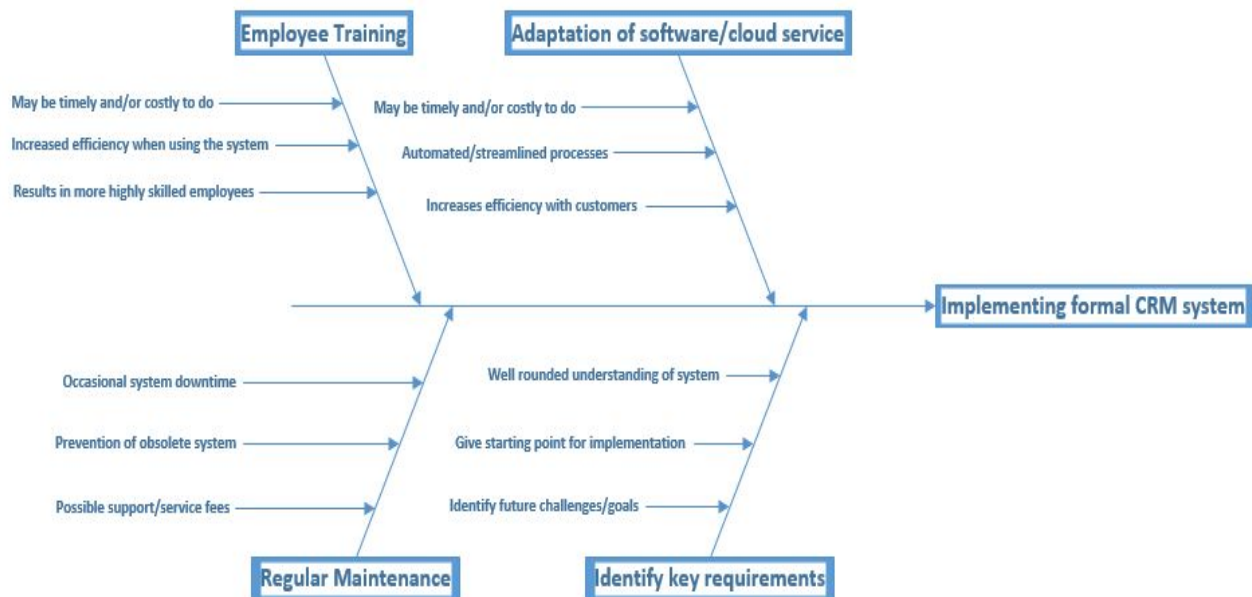


This photo, taken from a slide in Method Pharmaceutical's 2017 ECRM presentation, shows quantitative evidence that the company has observed significant levels of growth over the two year span it had been in attendance of the ECRM trade show. As is evident within the photo above, the positive change in the quantity of product lines (SKUS) over the years is positively correlated to sharp increases in the monetary value of IMS sales data Method records. In layman's terms, as the number of different product lines sold by Method increases, so does its gross sales by a significant factor. Ms. Day stated in the interview that, for the foreseeable future, Method will be attending the ECRM trade show on an annual basis. If the 2018 trade show is anything like the previous years', then it would be safe to assume that attending is completely worthwhile.

Discussion

Method Pharmaceuticals currently has a viable, yet somewhat inefficient way of managing their customer relationships. Method's ongoing efforts toward CRM are viable in the sense that they have, to some extent, contributed toward the growth and relative success it has come to achieve. Congruently, the current process is inefficient in the sense that there is no formal, company-wide CRM system through which the customer engagement process is completely streamlined and automated for optimal performance and efficiency. Method seems to rely on a somewhat "hands on" approach in dealing with their customers, which in general has resulted in steady growth of the companies partnerships and customer base. This being said, there still remains significant room for improvement when it comes to Method's current CRM process. Essentially, as the company continues to grow and accumulate more customers and product lines, there current manual, "hands on" process for CRM will become less and less

feasible. As Method continues to mature and expand outward, the necessity to implement a formal CRM system that automates and streamlines the customer interaction process will grow in proportion.



Strengths

Strengths that are shown in Method Pharmaceutical methods of dealing with their customers satisfaction is how personal they become with their clients. The company directly works with their customers to satisfy their needs by making personal sales visits, calls, and direct emails. This allows for clients to establish and strengthen personal relationship with Method Pharmaceutical. As we have stated, clients are very happy with Method and are continuing to do business with them, and they are able to continue to add more clients with the implementation of ECRM.

Weaknesses

Method Pharmaceuticals early success shows little weaknesses in their business process. However, with their steady growth and the lack of a CRM system, it will be difficult to maintain a competitive advantage given how quickly organizations are adapting and adding a CRM process. With no formal CRM system it is hard for them to continue producing a high level of customer service as their market share continues to grow. But if they implement a CRM system, their high level of customer service would be better utilized.

Recommendations

As a group, we would recommend that the company start planning to implement a cloud-based CRM system once it becomes physically unable to manage all of its customer relationships. This process is less costly than a software based system and requires little training compared to the software based system. The long-term benefits will far outweigh any short-term losses in revenue given how successful CRM process has worked in other companies. Method is continuing to grow, and what seems to be a rapid and an exponential rate, and with this growth Method is going to experience difficulties in satisfying customer needs.

The CRM system will be able to streamline their selling process. The CRM system, if implemented, will take a large portion of stress off of individuals through its automation. Instead of having to contact each and every client, products will be automatically dispersed to their respective buyer. Ms. Day even expressed interest in implementing the system when we interviewed her. Her only concerns would have been the cost of implementing the system, and the training that the employees would have to go through to implement the system and to effectively operate the system effectively. An advantage of implementing this system as well is

the fact that this would not affect the company's ability to recruit more clients from the ECRM conference. The CRM system would have no effect on their ability to go to these conferences still.

Interest in Recommendations

When interviewed, Ms. Day said that she could potentially see the company implement a CRM system in the future. She said that it would be unlikely to happen immediately due to issues with the company being small, not having the funds to pull the endeavor off. As stated before also, she has concerns with the costs and time it would take to train employees on the new system. She did say that if a system were to be implemented, the system would likely be based off the cloud. She believes that this would be the most streamlined, and most effective way to implement the CRM system with her company.

Future Directions

Moving forward with the idea to implement a cloud based CRM for Method once the decision has been made to move forward it should be communicated to the whole company. Once they implement the system training should begin for employees on the system, and using the technology so that everyone is comfortable using it. The cloud based service that we recommend Method use is "Salesforce" it is specifically designed for small businesses. "Priced far less than the standard CRM platform, Essentials also incorporates the company's Trailhead system of self-guided tutorials limiting, if not eliminating, the need for separate instruction in how to use the cloud CRM service." (Needle 2018). This will help with the time it

takes to train employees because it takes little time to learn the system. It's also beneficial because it is priced far less than standard CRM platform.

Lessons Learned

Lessons we learned from the project are how important a Customer Relationship Management system is. We thought we had a basic idea on what it was but once we conducted our interview with Ms. Day and began our research we were blown away. We learned that there are many different parts in a system it isn't just a universal system. It all depends on the company, and the service they are providing. With so many tools out there whether you're using a software or a cloud based system it can all be very useful. Tying in all the components together is also a very important process because like the old saying "A team is only as strong as its weakest link" so if one component is lacking in areas, or there isn't complete involvement in the system, the system may produce quality errors, along with poor customer service. Another lesson we learned was that even if you don't have a set system in place it's still possible to provide customers with high customer service, and Method Pharmaceuticals does a great job of that.

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“Method Pharmaceuticals ECRM.” ECRM. ECRM, Feb. 2017, Atlanta, Georgia.

Appendix

Interview Questions & Answers

1. How would you personally define CRM?

- a. “CRM is a coordinated strategy we use to sell our generic pharmaceuticals to various classes of trade, such as retail chains, wholesalers, group purchasing organizations (GPOs), and so on. A good customer relationship management system consolidates customer information into categories that allow us to identify how we should choose which customers we target based on their respective class of trade, market share, and levels of supply and demand.”

2. Does Method Pharmaceutical have a formal system for CRM in place?

- a. “No, we have no formal system for CRM in place at this time, but we’re considering our options as our business grows.”

3. If yes, why was this system implemented? If not, is there another process practiced by the company that is relatable to CRM?

- a. “We subscribe to a service that monitors market share and trends within our industry in order to determine which customers to target.
- b. “Once a group of viable customers is selected to be targeted for a new product launch, we solicit historical utilization data from each respective company in order to assess their level of demand for our products.”

- c. “We maintain communication and coordination via email, phone solicitation, and personal sales visits to their respective offices in attempts to educate them on our business practices and what products we have to offer.”
 - d. “Once a customer makes a purchase from us, we continuously monitor their respective sales reports, and design our marketing programs to be certain our customers’ end users demand needs are met. In addition, we attempt to routinely keep each customer up to date on our current pricings and product line.”
- 4. On average, how much money per year does Method spend on the management of its customer relationships?**
- a. “There are many factors that play into how much money is allocated from our budget to manage our customer relationships, so it is hard to make a generalized statement about how much we spend annually, as the amount is constantly changing each year based on new product launches.”
- 5. Is the company’s CRM requirements industry-specific, or are they more generalized?**
- a. “Industry-specific. All CRM systems should be tailored to the industry the company is a part of.”
- 6. Would Method choose to implement a software-based, or a cloud-based CRM system?**
- a. “The trend nowadays is using a cloud-based CRM system, as there are less up-front costs, seamless interface between all links of the supply chain, and

economies of scale can be achieved relatively easy under a cloud-based system.

Therefore, Method would likely adopt a cloud-based CRM system.”

7. In your general opinion, how well does Method handle its customer relationships?

- a. “We operate relatively successfully within our industry as new competitors, as we are continuously diversifying our product line and gaining new customers.

However, as Method continues to grow, there will come a certain point where a formal CRM system will be absolutely necessary in order to keep track of customer demand and simplify the sales process.”

8. Does any aspect of your job tie in specifically with CRM?

- a. “Yes, my job as VP of Sales & Marketing at Method is centered around interacting and interfacing with customers of all classes of trade on a daily basis. I routinely network with old customers and potential new ones through sales calls, emails and personal sales visits in order to strengthen old relationships and establish new ones.”

9. What are some characteristics that demonstrate a low level of customer satisfaction within Method’s industry? High customer satisfaction?

- a. “Low level of customer satisfaction: When we cannot meet customer demand, when we lose customers, when our prices are too high for customers

- b. High level of customer satisfaction: Repeat business from existing customers, solid and trusting relationships with existing customers, increased brand awareness and customer interest”

10. In your opinion, what is the most important aspect of CRM?

- a. “Keeping the customer happy and satisfied, and building a long-term relationship with each respective customer.”

11. Does Method Pharmaceuticals use social media to facilitate CRM? Why or Why not?

- a. “No, we do not use social media to facilitate CRM. This is because at this stage within our business life cycle, the costs of doing so do not justify the results that could be achieved.”

12. What are some challenges or obstacles Method faces when managing relationships with customers?

- a. “Not being able to meet customer demand
- b. Dealing with competitive suppliers who have pre-existing relationships with potential new customers
- c. Remembering to stay up to date on maintaining contact with each customer”

13. In what areas of customer relationship management does Method excel in?

- a. “Competitive pricing
- b. Well-thought out reporting system (for keeping customers up to date on current statuses)

- c. Volume-incentive rebates (the more business a customer does with us, the better the discount on our products)”

14. What software do you use (or would you might use) for CRM? (SAP, Oracle etc.)

- a. “As said before, Method would likely use a cloud-based CRM system as opposed to a software-based system.”

15. Are there any reasons why you would choose not to have a formal CRM system in place?

- a. “One reason may be that we cannot afford a formal CRM system with our current budget, as the company is relatively small and young at the moment.”
- b. “Extensive routine training would be required to show employees how to operate the system which could be un-timely and costly.”

16. What data do you collect at Method Pharmaceuticals that can be utilized in a CRM system?

- a. “Market share, market trends, historical sales data, units in dollars, utilization rates, order entry, orders to cash, competitor pricing, market intelligence, customer statistics, etc.”

17. In your opinion, what would a successful CRM implementation look like at Method Pharmaceuticals?

- a. “Having a singular, unified platform in which data and information can be shared and used between all branches of our company. In addition to this, regular alerts and notifications for tasks that need to be completed with respect to each individual customer is a must.”

18. In your opinion, do you believe CRM is important in business? Why or why not?

- a. “Yes, completely. Without satisfied customers, no companies would survive.”

19. What are some potential benefits of implementing a CRM system at Method Pharmaceuticals?

- a. “Keep better track of each individual customer
- b. Stay up to date with regular alerts and notifications as to what tasks need to be completed with which customers
- c. Have the framework to effectively network with each customer
- d. Streamlined pricing proposals
- e. Better internal communication about customer needs”

20. What are some potential disadvantages of implementing a CRM system at Method Pharmaceuticals?

- a. “Most likely going to be costly, and untimely when having to train employees to use the system
- b. CRM system malfunctions/bugs that could ultimately inhibit business”