

## **UNIT 4**

### **CRM and Marketing Strategy**

#### **CRM MARKETING**

Customer experiences can be enhanced by making use of various marketing strategies. CRM marketing encompasses all strategies that support marketers in building and maintaining customer relationships. In clear terms, CRM marketing is a term referring to the strategies and tactics (which support the execution of these strategies and tactics) that marketers use in order to manage relationships with their customers.

The aim of CRM marketing initiatives include the following:

- To improve and optimize customer relationships
- To enhance customer loyalty
- To improve customer retention
- To enhance organizational revenue
- To increase customer lifetime value
- To handle the competitors
- To fulfil customers' needs and expectations
- To offer better customer service and experience
- To have long term relationships

#### **ROLE OF CRM IN MARKETING STRATEGIES**

The role of CRM in formulating marketing strategies have been explained under the following heads:

1. **Knowing Customers Better** - In any business, 'the more you know your customers, better you become to build marketing strategies to reach them'. For example, if the data shows that customer prefers a special kind of product, company can benefit by stocking additional varieties of that brand.
2. **Data Driven Strategies** - Data are the starting point for designing marketing strategies. With CRM in place, every business decision will be based on insights offered by customer data, not just on intuition. It would lead to designing data driven strategies which would be based on logic.
3. **Segmentation and Personalization** - CRM helps in segmenting the customers effectively based on specific criteria. After segmentation, customers can be presented personalized content based on every customer's tastes and desires. For example, recording birthdays and anniversary dates allows to send personalized digital cards to the customers.
4. **Customer Journey Mapping** - CRM can present the journey of customer via mapping which can assist in enhancing the customer experience at every touch point. A journey map is visual representation of a customer's experience with the company. CRM solutions can monitor customer online activity which helps in knowing what customer values the most.
5. **Data Mining** - It deals with gathering massive amount of data about the customers especially their buying behaviour and demographics. Data may be gathered from internal sources (sales force reports, scanner data, purchases etc.) or external sources (credit card companies generally sell customer purchase data about their card holders). CRM can perform individual level data mining, which can help the organizations in organizing successful targeted marketing campaigns. For example, the company wants to offer discount on pet products for a week, it can identify customers who have pets on the basis of their previous purchase history. The pamphlets can be directly given to these customers, which will drastically reduce the advertising cost.

6. Behaviour Prediction - Modern AI based CRM software also offer the probabilities of customer behaviour. Such forecasts offer valuable information for many marketing decisions such as how much to produce, what price can be charged (based on demand forecast), and budgeting etc.

7. Multi-channel Marketing - Modern CRMs possess multichannel marketing functionality, which means conducting simultaneous marketing campaigns across different sales channels and touchpoints e.g. email, social media, web etc.

8. Social Media Presence - With the help of CRM, monitoring and managing the organization's presence in social media will be much more effective and less time consuming. CRMs can evaluate the response from social media campaigns, track the product purchases, and collect reviews.

### **CROSS SELLING (CS): MEANING**

Cross selling is a practice where companies invite their customers to buy related or complementary products. It is a strategy adopted by the selling organizations to sell the customers offerings that are complementary or supplementary to the products, they have already purchased. For example, if the customer buys a new mobile set and the sales person encourages the customer to purchase a protective case at the same time, it is the instance of Cross Selling. Another example can be suggesting the customer to buy a wireless mouse, when he/she has come to purchase a laptop. Customers generally decide to purchase these additional items that complement their purchase.

#### **Characteristics of Cross Selling**

Cross selling is a strategy to increase organizational sales. This strategy depicts the following characteristics:

- Cross selling is an art of suggesting a customer another product related to the one for which purchase is already in progress.
- To cross sell, the items that complement the original product in some manner are suggested.
- To implement Cross Selling, organizations identify the products that can fulfil the related or complementary needs of customers that remained unsatisfied with the original product. Cross selling may be exercised on existing or new customers.
- Customers are directed towards the products they may purchase in the future, by making them available under the same roof at the right time.
- Sales persons are given the responsibility to ensure that customers buy the related or complementary products.
- Cross selling is applicable in almost every commercial activity such as Insurance companies send their customers information about health insurance policies, when customers take a motor vehicle policy. Similarly, in case of banks, when customers operate saving bank accounts, they are given information about credit cards via telephone calls. In case of e-selling, cross selling can be seen on the product pages.

### **UPSELLING (US): MEANING**

Upselling is a practice of encouraging the customers to purchase a comparable higher end product. It is a sales technique in which seller induces the buyer to purchase more expensive and upgraded item or add on to make the profitable transaction. In this strategy, the organizations enhance the customers' value by encouraging them to add on services or to buy a better/expensive model. For example, if a customer visits a car show room to buy the basic model of Swift car, while the company's salesman encourages him/her to buy Swift Desire, the top most model and the customer takes the decision to buy the same. It is the case of Upselling. Another example can be suggesting the customer to buy 32 inches TV instead of 24 inches or to buy 3BHK flat instead of 2BHK.

### Characteristics of Upselling

Upselling is a strategy used by companies to sell the upper versions/models of their products. This strategy depicts the following characteristics:

- To implement Upselling successfully, organizations must truly understand what customers value the most and then offering the products that can meet those needs.
- It is the strategy to offer the customers an option to buy an item that is slightly better than the one they are already considering to purchase.
- Organizations make use of comparison charts to market the high-end products
- Organizations make the customers visualize the value they will get by ordering a high-priced option.
- Customers are informed about more product options they might not be already knowing.
- The organizations keep into consideration that the upgrade must have a slight price difference than the one customer has made up his/her mind to purchase. If the price difference is larger, the customer may postpone his/her purchase decision due to insufficient funds and organization may also lose the customer.

### ONE TO ONE RELATIONSHIP MARKETING

One to One (1:1) Relationship Marketing is also known as 'Interactive marketing'. Personalized marketing and 'a Segment of one'. The concept of 'one to one' marketing has been discussed in another chapter of this book under the head 'Relationship Marketing'.

### CUSTOMER RETENTION

Customer acquisition is a crucial source of growth and revenue for the organization, but retaining the existing customer base is far more important. Acquiring new customer is a costly affair as compared to retaining the existing ones, as investment has to be made in advertising, sales promotion, direct marketing and positive brand image. Customer Retention is a strategy adopted by the organizations to retain the existing customers

### BEHAVIOR PREDICTION

Behavior prediction is a strategy used by the organizations to estimate the behavioral patterns of their customers in the future. It is technique of using past purchase behavior to foresee the future behavior of consumers. Past behavior of consumers is analyzed and necessary predictions are made about future demand of organizational products.

Predicting customer behavior is one of the most challenging jobs for a company. The organizations have no choice other than estimating the future moves of their customers, due to following reasons:

- Changing customers' needs, expectations and demands
- Risk of losing the consumers
- To improve their performance consistently
- To entice consumers and keep them engaged for long
- To assess the previous issues, past customer pains, problems and other such data related to customers
- To improve customer engagement levels and loyalty
- To have personalized offerings and customized solutions to the customers
- To identify and tap the most valuable customers

### Behavior Prediction Models

Behavior prediction analysis includes several variations, some of which have been discussed here:

1. Propensity-To-Buy Analysis: Purpose of 'Propensity to Purchase' model is to know the likelihood a customer will be predisposed to purchase a product based on the purchases he/she had already made at a point of time. In simple terms, this analysis includes understanding what a customer might buy. This method scores customers based on their similarity to past purchases. It involves the analysis of historical data and measuring past performance based on their previous activities, so that organizations successfully deploy cross selling and upselling strategies.

Propensity to buy models need data related to the following aspects:

- Who has purchased?
- What they have purchased?
- When the purchase was made?
- What was the order/sequence of purchase?
- By which customers, combinations of products were bought?

This data is used to create a model that scores each customer. The scores represent the likelihood that a customer will want to purchase. The top scoring products of each customer becomes his/her best next offers.

2. Next Sequential Purchase: It is a prediction model that involves using historical sequence information to predict the next value or values in the sequence. It works on the basis of Time Series analysis, where future customer behavior is predicted on the past series of transactions. In simple terms, this model involves predicting the customer's next buy.

3. Product Affinity Analysis: Product affinity enables an organization to detect product/service purchase patterns, linkages and cross sell opportunities. It is also known as Market Basket analysis. It includes identifying and understanding which products will be bought together. Results of this analysis enables the organization to identify the customers interested in specific products/service groupings.

Affinity analysis is a modelling technique based upon the theory that if customer buys certain group of items, he/she is more/less likely to buy another group of items. The set of items that a customer buys is known as an 'item set' and this analysis seeks to find relationship between purchases. For example, the customers are more likely to buy a shampoo and a conditioner together, so retailer will not put both items on promotion at the same time. The promotion of one would drive the sales of other as well. In this method:

- Past customer purchase data is used to identify, which products/services were acquired by which customer group.
- Predictive analytics is applied to this data to discover the profiles of customers most likely to buy products in each group.
- These profiles are used to target those customers, who are most likely to respond favourably to company's campaign.
- Pair wise product associations are identified

4. Price Elasticity Modelling and Dynamic Pricing: In this method, the companies find out how quantity demanded by consumers will respond to change in price. Dynamic pricing modelling utilizes vast amount of historical data on demand and prices to determine the nature of relationship between these two variables. It involves determining the best price for a given product by changing it frequently based on demand and supply conditions.

The above discussed prediction models help the CR managers to predict their customers' behaviour accurately

## **CUSTOMER PROFITABILITY AND VALUE MODELLING (CVM)**

Customer Profitability is an evaluation process in which the organization focuses on assigning costs and revenues to different segments of customer instead of assigning to the products or department. Once the new customers are acquired, the organization must estimate the value of its customers. Customer value refers to the sum of benefits that an organization promises to customer if he/she purchases the product or service

## **CHANNEL OPTIMIZATION**

Channel is a means by which customer comes or connects to the organization. Channel provides the means by which customers are able to make an active decision to visit the company, whether physically or virtually, such as visiting the website, calling in service center, leveraging an app, visiting company location. Therefore, channel is an avenue by which customers are able to actively elect, engage and manage their visits and interactions between the company and the customers

### **Key Points in Channel Optimization**

Channel optimization denotes offering right message to the right customer at the right time. It is a process by which a company leverages data to manage and improve the channel to enhance customer experiences and increase interactions.

- i. Channel optimization is a process through which tactics are applied to improve customer experience and interactions.
- ii. Optimization focuses on incremental improvements to the customer experience in order to drive high value engagements between the company and the customers.
- iii. The organization must make use of the best possible channel for offering products or services to customers according to the customer category. Choosing the best suitable channel to communicate with customers enhances satisfaction
- iv. Company must try to find out the channels that customer prefers to interact with the organization e.g. customers who use internet banking services might prefer a new emailed offer with their regular statement, while a customer visiting a branch office might prefer a cup of coffee with a brochure.

## **EVENT BASED MARKETING (EBM)**

Event based marketing is also known as 'Trigger marketing', 'Event initiated marketing', 'Event tracking' or 'Event streaming'. It is a marketing strategy opted by the organizations to market their products and services to the target audiences. In Event Based marketing, the marketers identify the key events in a customer's lifecycle and place their product accordingly.

### **Characteristics of Event Based Marketing (EBM)**

- EBM is a more personalized form of marketing. Following are the features of EBM:
- EBM, in the modern scenario, is a digital marketing technique, where customers receive personalized communications based on their behavior. Here, the organizations can form personal relations with their customers, as events in customer's life are targeted.
- EBM is also known as trigger marketing, and number of triggers or events that an organization uses might range from just a few to several hundreds.
- Event based marketing is a time sensitive marketing/communication reacting to a customer specific event. The response to customer needs has to be given at the right moment e.g. sending an application of accidental insurance to people who recently had a car accident.
- EBM focuses on the key events of a customer or business life cycle.
- EBM is a targeted form of marketing e.g. a customer makes a call in the bank to enquire about ongoing rate of interest of home loan. This indicates that customer is planning to take a home loan. Here, bank may use EBM strategy by transferring the customer's call to its specialized Home Loan Manager combined with dispatch of an interest rates and EMI information via email or text.
- Marketing automation has increased the acceptability of EBM in contemporary organizations.

### Advantages of EBM

- Significant increase in marketing ROI
- Tap Upsell and Cross sell opportunities
- Better customer response, as communication is based on his/her need at that time
- Strong customer relationships can be created as they feel more understood and validated
- Better customer experience (in every event)
- Potential to improve brand recognition and drive profits quickly

### Limitations of EBM

- Additional data regarding customer events is required
- Inappropriate event may destroy the whole process, therefore selection of appropriate event is very crucial.
- Selection of channel to be used for each event is another challenge.

### CLICK STREAM ANALYSIS

Click Stream Analysis is a technique of data analysis used by the organizations to know the clicks made by potential or existing customers on organizational web information. Organizations collect large amount of data by Click Stream Analysis, which can be used for various organizational purposes and decisions.

It is basically recording of the parts of a screen a computer user clicks on, while web browsing or using another software application. As the user clicks anywhere in the web page or application, the action is logged on a client or inside the web server. Click stream analytics gather multiple information for taking crucial organizational decisions:

- Pages browsed and browsing patterns through URL
- Popular website sections
- Server IP
- Client IP
- How customer reached the company website?
- How customer travelled through the site?
- How customer spend his time and how much time was spent on the web site?
- What was bought by the customers on the website?
- What was bought that stimulated the buying of other products?

### COLLABORATIVE FILTERING

Collaborative Filtering is a method of recommending products or services to visitors on a website. The buying behaviour and patterns of visitors are recorded on the basis of online purchases made by them. According to Wiki, Collaborative Filtering is defined as a method of making automatic predictions (filtering) about the interests of a user by collecting preferences or tastes information from many users (collaborating) e.g. when a customer visits Flipkart for purchasing a book, it will start recommending other related books to the customer, when a customer watches movie on Netflix, it offers recommendations, similarly YouTube gives video suggestions. CSM describes, collaborative filtering as a feature of CRM software that allows a business to provide products or services to a customer based upon what other customers with similar preferences have purchased in the past.

### PERSONALIZATION

Customer relationship is more than just understanding behaviors. CRM is a constant cycle to build customer value. Personalization is a creative idea, which means capability to customize customer communication based on knowledge, preferences and behavior at the time of interaction e.g. customer buys dress from a website, and when customer visits the same website again, they offer dresses of same brand again. When the customer enters the site or makes a call, the channel operator greets and

also assists the customers in quickly purchasing what they need. This is all because customer is visiting for the second time the same website. Here the companies use variable insertion to personalize the site for the current customer, as it has recorded customers' previous transactions.

According to Cambridge dictionary, 'Personalization is the process of making something suitable for the needs of a particular person or customer'. In the words of Gartner, "personalization is a process that creates a relevant and individualized interaction between two parties designed to enhance the experience of the recipient." Over time customer is known more and more to the company through the study of customer's profile, data, past purchases, click stream analysis, web survey responses etc. Now the company knows what to offer to the customers to entice them to buy more or keep them from churning. For example, if the customer clicks/responds to a discount offer on health insurance, then company must offer life insurance plans also, as there are chances that they may buy it. Using personalization takes out the guess work from a business. In B2C space, personalization is based upon studying click stream data (one's navigation path through a company's website).

## **CAMPAIGN MANAGEMENT**

A campaign is an act of marketing products or services to specific target customers. It is a planned sequence of activities and processes designed with the aim of promoting a product or service. Campaigns help marketers to understand the requirements of target customers and formulate marketing strategies accordingly.

Campaign Management is planning, execution, tracking and analysis of a marketing initiative eg. a product launch or any other event. It generally allows marketers to segment customers into smaller groups and then interact individually with these groups. As huge cost and efforts of an organization are involved in planning and management of campaigns, therefore, it is essential for an organization to be careful while planning and executing these marketing campaigns. With the advent of new technologies and marketing automation, marketers are able to grasp useful customer information in their databases, which helps them to understand the needs and expectations of target customers before executing any marketing campaign. It further allows the marketers to identify gaps in previously launched campaigns and do the needful in future campaigns.

### **Objectives of Campaign Management**

- To track customers interests
- To acquire new customers
- To increase customer retention
- To enhance upsell and cross sell opportunities
- To increase sales revenue of the organization

### **Steps Involved in the Campaign Management Process**

Managing campaigns effectively involves the following steps:

1. Campaign Preparation: The first stage in the campaign management is to identify the target group of customers for whom the campaign is to be designed. In this phase, marketers establish goals and objectives for conducting a specific campaign. The tasks involved in this phase include the following:

- Setting the campaign goals and objectives
- Deciding the target customer group
- Deciding how to target
- Deciding the overall budget of a campaign
- Defining campaign responses
- Defining campaign access

The automation and technological advancements have facilitated the marketers in determining the expected outcomes of the campaign and identifying target segments based on the available information.

2. Campaign Execution: This stage involves reaching out to the identified target customers and offering products or services to them. The tasks involved in this phase include the following:

- Building the campaign
- Deciding campaign tools
- Finalizing campaign members
- Sending mass information via social media, email, advertising etc.
- Reaching out the target customers
- Offering the products and services to target customers

In the contemporary technological world, organizations can access to customers' information via customer databases, which contain the required information such as their names and addresses, contact numbers, other contact information etc.

3. Campaign Tracking: It involves identifying gaps in the executed campaign and bridging those gaps. The tasks involved in this phase include the following:

- Campaign response collection
- Campaign measurement
- Campaign assessment

Marketing automation helps an organization in collecting participants' responses via online forms and also in analyzing these responses and feedback in no time.

#### Types of Campaigns

Campaigns can be categorized on the basis of following three types:

1. Single Phase Campaign: It is a marketing practice, in which an organization provides a special offer on a product or service only once. It is like a one-time offer. If the customer accepts that offer, the objective of that particular campaign is said to be attained and it is treated as a successful campaign.

2. Multi-phase Campaign: It is a marketing practice in which an organization provides more offers to a customer, provided that customer accepts the previous offer e.g. a bank manager describes the customer about benefits of investment in NPS. If the customer listens carefully and gives a positive response, then the bank manager may tell the customer about investments in Tier I and Tier II options. In case, the customer accepts the offer, then the bank manager may provide information on other related schemes. Multiphase campaigns are meant to promote the sales of a particular product or service, provided the first offer is accepted by the customer.

3. Chronic Campaign: It is a marketing practice in which an organization provides frequent offers to customers. He/she may accept any offer out of the proposals made.

#### **SALESFORCE AUTOMATION (SFA)**

Automation has entered almost every field, even in selling activities. Sales Force Automation, known as SFA, is a technique used for automating the sales related activities in an organization. It is the automation of sales process. Therefore, SFA refers to the use of different computerized technologies and digitalization tools to support the activities of salespeople in the organization. It helps the sales people in achieving sales objectives. Sales force automation is a customer relationship tool that helps the companies to streamline the activities of work force. It helps in improving sales force productivity.

#### **CHARACTERISTICS OF SALES FORCE AUTOMATION (SFA)**

1. Computer Enabled Working: SFA refers to the application of computerized and automated technologies to assist the sales personnel for performing sales related activities in the organization.



2. **Systematic Data Recording:** Automation in sales related activities enables the organization to systematically collect, record, analyze, store, use and retrieve customer data. This data can be transferred to other departments easily and decisions can be taken quickly.

3. **Sales Pipeline:** SFA also assists the salespersons in identifying the potential and loyal leads and keeping a track on the purchase activities. It also provides a quick view of customer response and alternative options may be offered to the prospect.

4. **CRM Component:** SFA is a component of CRM, which keeps the record of sales activities and assists in better relationships with customers. With the help of automated Contact Management System, the contacts made with potential customers are thoroughly analysed and evaluated, which assists in taking future policy decisions.

5. **SFA Software:** SFA is assisted through various software such as Oracle and SAP etc. Organizations approach software vendors who are specialized in offering web based SFA solutions. These vendors look into the requirements of organizations and suggest them suitable software. Some of the software are rigid in nature, while some can be customized according to the requirements of sales personnel, customers and the organization.

6. **SFA Hardware:** Automation should also be facilitated by strong hardware and infrastructure. Hardware vendors provide various devices that can be used by the salespersons to assist their sales related activities.

7. **Incidental Services:** To have effective field force automation, some incidental services are also required such as sales automation training, consultation, customer analysis, recording etc. Organizations take assistance from various service providers for the same.

#### MAJOR COMPONENTS/CATEGORIES OF SFA

1. **Sales Process/Activity Management:** Sales process management includes the following:  
Process Management

- Sales process mapping is also done.
- Sales process must be flexible enough to incorporate changes.
- Sales process is fully automated.
- Sales process activities are grouped according to team goals.

Activity Management

- Planning of key customer areas.
- Automating individual and organisational to do lists.
- Planning of critical tasks.

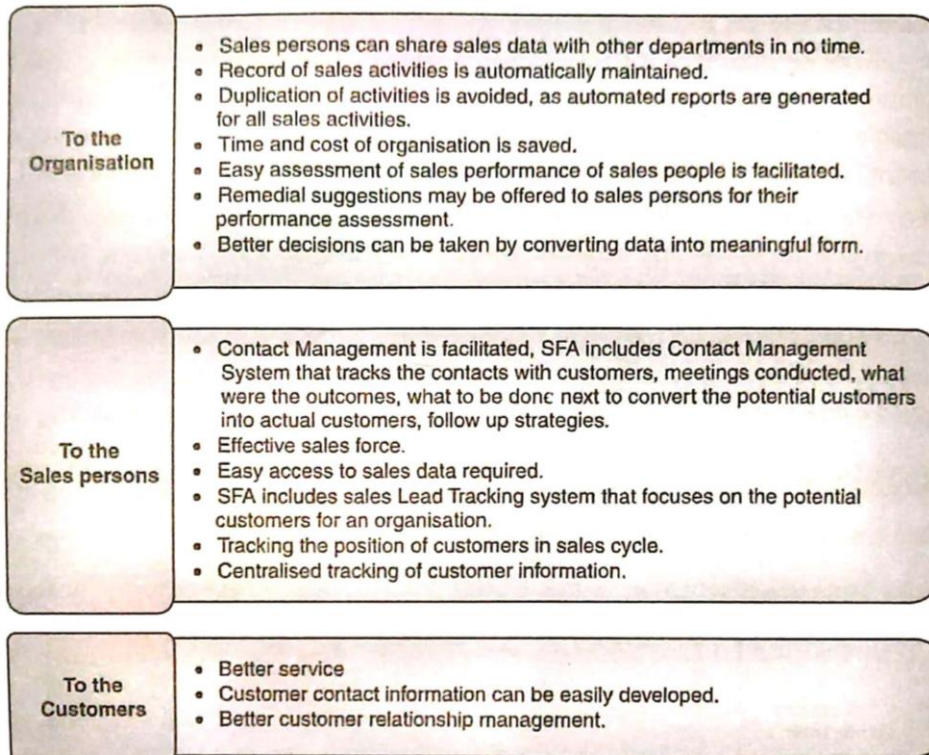
2. **Sales Territory Management:** Sales territories are created on different criteria to manage large scale operations. To offer timely data and reporting options, processes are automated. Linking the territories with headquarters is also facilitated.

3. **Contact Management:** It deals with organizing and managing data across and within a company's client. Contact management is automated to enhance the capability to track where customers are and who they are in terms of their influence with sales management functions.

4. **Lead Management:** Sales persons follow a well-defined approach to turn leads into customers.

5. **Knowledge Management:** More the information with organization, better will be the results. Sales personnel can use this information optimally, if they have easy access to it.

## Benefits of SFA



## APPLICATIONS OF SALES FORCE AUTOMATION

Sales Force Automation (SFA) denotes the automation of sales management in an organization. It provides automated workflows that create a streamlined sales process to manage business leads, sales forecasts and the performance assessment of sales force. SFA is a part of CRM that records all stages of sales process by using technology. Crucial applications of SFA are as follows



## LEAD MANAGEMENT

Leads are the sources that may fetch revenue for the organization. In simpler terms, leads are the prospective buyers that show certain inclination towards the organizational products and services. When they are approached by the salespersons, they seem to be interested in the offer made. They may prove to be the regular/loyal customers in future.

In the world of competition, every organization puts in hard efforts to enhance the quality of their products and services, so that the number of leads can be increased manifold. Management of these leads effectively is known as Lead Management. From the stage of lead generation to customer satisfaction, every aspect has to be taken care of, so that relationship with customer can be developed. In this, automated Lead Management plays crucial role. Lead management is also known as Sales Pipeline management and Opportunity management.

#### Features of Lead Management

- (i) Generation of Leads: Lead management includes different methodologies and systems used by the organizations to generate leads.
- (ii) Tracking Customers: When the sales personnel identify a prospect, it is necessary to track his/her previous purchase history, so that future demand can be estimated.
- (iii) Refining Sales Process: Managing the leads effectively assists in reviewing the stages of sales process

#### Process of Lead Generation

To survive in competition, organizations must generate large number of leads. Sales of products and services depend on lead generation. Effective lead generation assists in accurate sales forecasting and also facilitates increase in sales volume. Organization identifies potential customers and tries to tap them. Following is the generally applied process of lead generation

1. Deciding Objectives: Organization needs to decide the objective of lead generation Le. why company wants to have new prospects. Generally, the organizations want to increase their customer base with the following objectives:

- To increase the sales volume and profit margin
- To survive in the competitive markets and beat the competitors
- To expand and grow
- To have a defined rate of return
- To reach at the pre-targeted number of leads

2. Lead Generation Budget: Budget is one of the most crucial decisions in any planning. Attracting new leads towards the organization requires investment in various activities and tools such as advertising. Appealing new prospects requires more budget as compared to money involved in retaining the existing ones. Therefore, organization has to decide upon the lead generation budget. This budget largely depends upon the target return expected and funds available.

3. Lead Generation Method: To attract prospects, organizations have to select an effective lead generation method. There are various offline and online tools available for attracting the prospective consumers. Selection of the right method is very essential for effective lead generation. Generally used methods of lead generation are as follows:

- Direct mailing
- Product or service blogs
- Advertising (online and offline)
- Referral of existing customers
- Press releases
- Pay per click advertising
- Search engine optimization

4. Converting Prospect into Lead: In this stage, the organization tries to convert the prospect into a lead e.g. a customer buys a product and is recommended another product effectively. In case of online visit of a website by a prospect, a visitor may be converted into a lead by showing the advertisement of related products and services effectively

5. Monitoring: Lead generation is not the final step in this process, rather the leads generated have to be followed up. The expectations and requirements of leads are identified and products/services are offered accordingly.

6. Record Keeping: The information related to leads is kept in records so that the same can be used for sales forecasting and other policy matters. This customer data is made available to all other departments, as and when required

#### How SFA Improves Lead Management

- Sales force automation assists in lead generation and management in the following ways:
- SFA collects the data related to leads and makes it available to different departments in the organization. SFA provides security to customer data and the data is kept confidentially. These data of leads are made available only to the relevant departments and sales personnel.
- SFA also provides information related to tastes and preferences of the prospective customers i.e. leads. It assists the sales personnel in estimating the future demand trends and increasing sales volume.
- SFA offers the information related to competitors and demand trends prevailing in the market.
- SFA assists the sales personnel to know the target market and focus on the right prospect

### CONTACT MANAGEMENT

As the name suggests, Contact management refers to managing the contacts created with leads and customers. Organizations are required to keep a track on the contacts created with the customers. From the stage of generating a lead till the stage of finally converting into a deal, sales personnel come into contact with numerous leads and customers. These contacts have to be effectively and optimally managed with various tools.

Contact management includes the following components:

- Creating or designing customer contact list or directory
- Secure and safe sharing of customer contact information
- Constant updating of contact lists and other information
- Effective presentation of customer contact data

### FIELD FORCE AUTOMATION (FFA)

Modern world belongs to technology, in which competition is so intense that organizations are expected to empower their sales personnel with updated knowledge and devices. Field Force Automation refers to the application of digitalized tools and technology to have real time interaction with the sales personnel. It is also known as Field Service Management (FSM). The success of FFA requires the sales personnel to be equipped with modern technological devices such as tablets, laptops, personal digital assistants, personal computers, smart phones etc. The application of FFA is increasing in different fields such as construction, medical, transportation etc. However, success of FFA is hampered in underdeveloped locations where internet connectivity is an issue.

### KNOWLEDGE MANAGEMENT

Knowledge is like an asset for an organization, which sets foundation for various decisions and policies. Managing the available knowledge and information is very crucial. Sales personnel and other organizational staff are required to collect, manage and disseminate customer information for the growth and enhancing revenue. The organizations that assemble, organize, utilize and share the knowledge better than their competitors become, for sure, leaders of market.

Knowledge Management refers to the ability of an organization to manage its knowledge base. In simple terms, Knowledge Management focuses on how the data, facts, statistics and other information is utilized. It also describes how the ability of organization to change, invent, transform and create information can be enhanced.

#### Benefits of KM to the Organization

- Coordination among departments
- Knowledge based work environment
- Knowledge culture
- Knowledgeable staff
- Better working and conduct of operations
- Innovations through knowledge creation

#### Benefits of KM to the Sales Personnel

- Designing list of customer information.
- Planning and scheduling of organisational events such as promotion fairs, exhibitions etc.
- Developing and maintaining the worksheets of external parties such as competitors, suppliers, stakeholders.
- Developing the statements of expenditures, revenues, sales, purchases and assets etc.
- Generating the trends of previous sales and estimating future trends.
- Designing proposal templates for potential customers.
- Designing pre-defined policies, rules and regulations for organization.

#### Benefits of KM to the Customers

- Better understanding of customer requirements and expectations.
- Facilitates customer relationship management by using customer information optionally.
- Customer interaction with knowledgeable sales personnel, who can guide them better.

#### **SFA INCIDENTAL APPLICATIONS**

1. Communication Management: With the help of automated sales functions, sales personnel can have healthy communication with the customers. They can know about customer requirements well and can respond to their queries. Better relations can be developed with customers through self-generated messages. Communication with customers may take place in any of the following forms:

Special occasion automated messages can be sent to the customers such as birthday, anniversaries, new year, festival wishes etc. It helps in developing relationship with customers and retaining them for long run.

2. Event Management: SFA also assists in better arrangement and management of organizational events such as webinars, trainings, seminars, exhibitions, fairs (online as well as offline) etc. Salespersons can take assistance of automated software and customer information to give the participants distinct event experience. Links can be shared; messages can be delivered; and crucial information about the meet can be disseminated in no time. Therefore events can be planned and scheduled with ease.

3. Account Management: Accounts refers to the customers for an organization. SFA assists these accounts' management by providing relevant information about the customers to the dealing staff. Sales persons can get accurate information about customer transactions, purchase history, and referrals made etc.

4. Product Modifications: Data from customers helps the organization in product transformations. Modifications can be done in all 4 Ps of marketing mix (Product, Price, Place, Promotion) according to the needs and expectations of customers.

5. Employee Information Management: SFA provides information about the sales made by every individual sales person, along with information about efforts put in, commission and salary calculation and other related information.

6. Transaction Management: Management of transactions entered by the customers and sharing the same with salespersons is also another function of SFA.

7. Record Management: SFA also assists the organizational staff in maintaining records related to all activities and transactions.

8. Document Management: It also assists the sales personnel in preparation and management of sales documents, designing of leaflets and brochures, quotations, product pamphlets, price lists etc.

## **CALL CENTER PRACTICE IN CRM**

### **CALL CENTERS (CUSTOMER CARE)**

Call centers are also known as Customer care centers, Contact centers, Customer interaction Centers, or Knowledge centers. These are the organizational department or centers that are directly involved in offering customer support through various channels. Customer satisfaction and loyalty are the focus for these care centers, where customer service is offered.

Call center is a place where service is provided to one contact at a time. Customers interact with call center staff for multiple services eg. complaints, change in service patterns, new plans etc. The service representative must have specialised skills to make the entire interaction successful such as communication skills, ability to tackle queries, knowledge about the product and presence of mind etc.

In the modern world, Call Center also refers to classic telephone support infrastructure maintained by the organizations. Separate call centers are maintained and specialized staff is assigned the task of offering better customer service.

#### **Components of Call Centers**

Call centers work with the following components:

1. Location: Location denotes a place where call center will be located. It must be geographically accessible to the customers.
2. Customer: These are the end users for whose service the call centers have been created.
3. Technology: Call centers are technology driven.
4. People: The staff, who will provide service to the customers is one of the crucial components of call centers. The success of any call center largely depends upon the quality of people involved in service offerings.
5. Process: The sequence of activities to be followed by staff as well as the route customers are expected to follow must be clearly defined.
6. Finance and Infrastructure: Finance is required for smooth flow of processes, while infrastructure assists in better service delivery.
7. Management: Business management of call centers is also very important.

#### **Need of Automated Call centers**

In the modern call centers, telephone systems are combined with computer technology to automate various support functions. Following points elaborate the need of automating call centers:

- To alleviate the repeated tasks e.g. majority of the bank customers may want to know the balance in their saving accounts, therefore instead of talking to every customer, automated telephone messages may save time and effort of staff.
- To increase the efficiency in operations as the automated services offer same quality of service to every individual customer.
- To have easy handling of increasing volume of customer support demand.

### Benefits of Call Centers

- Call centers offer the following benefits:
- Trouble tickets can be identified as the record of customer call is automatically generated.
- Customer data can be maintained very easily.
- Various statistical analysis can be performed on customer data such as segmenting the customers on the criteria of call type or which category he/she selected, average call duration.
- Helps in forecasting the future customer call volumes.
- Assesses the performance of Call service staff/representatives.

### Web Based Self Service

The companies were facing the issue of redundancy of customer calls in call centers, therefore, the organizations have started automation of their customer support systems. These days companies offer web based service to their customers, where web sites re-intermediate the support process.

Web service is a type of e-support/electronic support that allows customers and employees to access information and perform routine tasks over the internet, without having any interaction with organizational representatives. Customers can interact with the organization through various methods such as company's email address on its website, Live chat, contact details etc. The more options a customer has to interact with the company, better will be the level of satisfaction. Web based service can be used both in CRM (customer relationship management) and ERM (employee relationship management).

### CALL ROUTING

When the customers make call in the service centers, these are received centrally and then are distributed to various Call service representatives (CSRs), this process is known as Call Routing. Call routing is a call management procedure, wherein the calls are sent in a specific queue after being qualified by the telephone system. In case of widely spread operations, call centers are segregated on various criteria such as:

- Geographic location of organization's regional offices e.g. Dominos routes the customer call to his/her nearest Dominos outlet
- Expertise of the staff involved
- Nature of the product i.e. Product Specialization

### Types of Call Routing

1. Least Occupied Routing: Calls are diverted to the agents who have been least occupied/utilized during the day. This method is used to optimally utilize every agent.
2. Performance Based Routing: Calls are diverted to the agents who have displayed the maximum talent in assisting the callers.
3. Skill Based Routing: Calls are diverted to the agents who possess specified skills required to deal with the specific caller.
4. Location Based Routing: Incoming calls are forwarded to centers on the basis of customer location. This method uses customer's caller ID and GPS location to segregate the customers based on location.
5. Service Level Routing: Here the customers are informed about the predicted/expected wait time through the platform to increase customer satisfaction. The reserve agents are utilized if the stated time exceeds.
6. Value Based Routing: This routing focuses on customer value or revenue. When the basic team recognizes that customer may discontinue the service, the call is routed to company 'customer retention team' to ensure that customer doesn't leave the company.
7. Data Directed Routing: Customer data is used to route the call to suitable agent who can cater to the customer needs

## **CALL SCRIPTING**

Automation is increasing in every sector and same is the case with contact centers. Organizations are trying hard to improve their service quality by improving the infrastructure and data bases. Call Script is the set of predesigned questions and answers available with the Customer Service Representatives (CSRs) to interact with the customers. It is a prescribed set of talking points that are commonly used by telemarketers and sales representative while talking to the prospective customers. These are also known as cold calling scripts.

As the customer data bases are being transformed into richer databases containing detailed customer information, the companies are able to predict the behaviors of their customers more precisely. Based on the similar characteristics of other customers and their past behaviors over time, companies can estimate the required customer service and the questions they are going to ask company representatives. Therefore, they prepare call scripts to answer customer queries. The companies must use real time interactions to design the quality script to enhance customer satisfaction. By applying customer intelligence, the Customer Service Representatives (CSRs) are being provided with the situation script in advance is an upcoming idea. These call scripts have become a pre-condition for successful interaction of CSRs with the customers.

The basic advantage of Call Scripts is that the guess work or interaction without planning is altogether eliminated. A logical sequence of talking points is made available to the CSRs, which works as a guideline while interacting with the customers

The script is based on certain factors such as:

- Reasons of customer to contact the call center
- Past customer interaction with the organization
- Previous bills due
- Customer value

Appropriate responses must be supplied to customers through prepared transcripts, which are logged in the systems and allow the organization to have record of running text log of each customer's chat. CSRs can retrieve the past chats in real time whenever customers are online.

### **Benefits of Call Scripting**

- Every customer gets uniform/consistent answer for similar issues, therefore it creates uniform Images of company in the minds of customers.
- Customer information is available in script in quite detail
- Human error is avoided.
- Agent's confidence boosts up as he knows what to talk.
- Agent training cost and time is reduced.
- Call center performance is improved.
- Customer are more satisfied as relevant discussion takes place.

### **Negative Aspect to Call Scripting**

- Similar answers are given to all customers but high value customers may deserve personalised answers.
- Some issues may be unique, which have not been mentioned In the call script.



## **PRACTICE OF CRM IN VARIOUS SECTORS**

### **CONSUMER MARKETS**

Consumer markets are the markets for consumer goods which are bought by consumers for direct consumption. These markets specialize in selling mass consumer durable and non-durable goods and services. It includes food retail markets such as fish market, grocery market, farmers' market, shoe markets, supermarkets, discount stores, temporary markets such as mandi's and fairs etc. Consumer goods markets can be:

- Durable goods market
- Non-durable goods market
- Perishable goods market

Consumer markets have grown tremendously over years and level of competition in these markets have necessitated the application of CRM. CRM, in the product markets, can enhance customer satisfaction manifold, reduce the costs and improve the organizational image in the marketplace.

CRM has transformed the consumer markets in the following ways:

1. CRM enables the sellers to understand needs of customers and introduce the products accordingly in consumer markets. It assists in better customer experience.
2. It assists in managing customer touch points (TV ads, direct mail, SMS, loyalty schemes, posters, phone calls etc.) effectively to build strong customer relationships.
3. CRM enables the sellers to verify credit worthiness of customers for credit purpose by proving customer information via databases.
4. Sellers can have customer feedback on regular basis, which helps in further product improvements.
5. Sellers are making use of e-CRM, which helps them in offering web-based solutions and interacting with customers via various modes such as phone, email, online chat etc.
6. CRM helps sellers in taking sound business decisions such as defining the target market by identifying most valuable prospect, product assortment, deciding prices, service mix decision, communication channels etc

#### **CRM Strategies in Consumer Market**

1. **Permission Marketing:** In this method, the organizations capture the social media logins, customer email addresses, sign up in various accounts such as Gmail, yahoo mail, Facebook, Twitter, LinkedIn etc. From these social media pages, organizations gather information about interests, background, family and friends of existing and potential customers etc. The organizational products are offered to individual customers according to their interests.
2. **Cookie Creators:** Cookies follow the customers to all the websites and web addresses that they visit. They serve organization's ads to the potential consumers on various web addresses. When customers repeatedly view these product advertisements, it leaves impact on their minds to buy the same.
3. **Recommendation Engines:** These engines offer suggestions to the web site visitors based on the products on which customers have shown interest any time in the past e.g. product bought from Amazon, or Pizza ordered from Dominos etc. Therefore, if customer has expressed interest in a product at a time, recommendation of similar products will come under the head 'recently viewed items' or 'related products' or 'customers who bought this also viewed this'.
4. **Membership Strategies:** Customers are provided membership cards, which help them in getting discounts on repetitive purchase of products. The application for these cards may be given via websites, call centers or stores etc. Customer information (names, background, work, other details) can be collected while registering for membership.

5. Loyalty Programs: Under this strategy, customers are informed to purchase a loyalty card or program specially designed for premium customers e.g. Amazon Prime, Zomato Gold Membership, True Caller Gold Premium etc. With this, they can have access to enhanced organizational facilities/services or need to pay lower prices.

6. Special Offers: Customers are requested to give a mobile number to intimate them about special offers declared from time to time. Generally, organizations take feedback regarding their products and simultaneously gather customer information, which is then stored in their data bases. Self-generated messages are sent to the customers' contact numbers from time to time about special offers announced by the organizations

## **SERVICE SECTOR**

Services are considered to be the driving force for economic well-being of any nation. This sector has shown tremendous growth in the world economy. Manifold increase in the consumption of the different services is fueling the economics globally. Organizations today are offering arrange of services to drive a competitive edge in the market. Services and their marketing have gained importance over the last decade to an extent that it has emerged to be the most debated topic of discussion. Almost 60% of the global economy is being driven by the service sector and its contribution to economy is increasing daily.

Service sector deals in selling intangibles such as banking, communication, insurance, transportation, real estate and consultancy services etc. In India, service sector contributes more than 65% to GDP. After 1990s, competition has become fierce in this sector as well, therefore, companies have realized the importance of being different from competitors and maintain sound relations with the customers. Service sector is somewhat different from the product sector and has own marketing mix. The following few heads describe the role of CRM in various service organisations.

### **CRM in Banking**

Banking sector has shifted its vision from profit centric business model to customer centric business model. CRM has become a powerful tool to attract new customers and retain the existing account holders. Private Banks have become more successful in opting CRM approach as compared to public banks.

CRM has transformed the banking sector in the following ways:

1. Creating customer database, which helps in storing, managing and retrieving every individual customer's information.
2. Identifying and coordinating all touch points
3. Reverting queries and addressing grievances
4. Receiving and obeying customers' instructions
5. Analysis of customer data and transactions
6. Building trust in customers by quality customer service
7. Convenience via e-banking, net banking, mobile banking
8. Opening of account, transfer of money, sanctioning of loans and other related services in no time
9. Call centers, toll free numbers to solve customer queries and providing real time information via telephone, emails, live chats etc.
10. Integrating with other banks

Indian banks are opting for e-CRM to enhance customer satisfaction in the form of e-banking, data mining and data warehousing, speaking ATMs, Mobile apps, computerized Decision Support systems, emails and computer networking.

## CRM in Insurance Sector

Level of competition in the Insurance sector has increased manifold with the entry of private players. Customers make detailed research on the features and prices of different insurance companies before finalizing the insurance policies. With the technological advancements, policy holders can make premium calculations with online premium calculators and select the least cost policy options. Before the de-regularization of Indian financial sector, LIC was the only player trusted in insurance sector. But after 1990s, many new players like Max Bupa, Star, ICICI Prudential, Lombard and many more have entered the insurance market, which has necessitated the companies to focus on CRM. Today, insurance companies focus on offering quality service, innovative products and customer satisfaction. Working of the insurance sector has changed, as customers can get policy comparisons on various websites (e.g. Policy bazaar) without any fees.

CRM has transformed the insurance sector in the following ways:

1. Insurance companies have become customer centric.
2. Customers are able to get real time information on various insurances aspects such as premium calculation, status of online payments, online receipts, maturity date, premium due date etc.
3. Customers have been offered the facility of login portals where they can themselves create their insurance accounts and update policy information.
4. Insurance companies and agents can interact with customers via various communication channels.
5. Customers are allowed to deposit the premium in any branch of insurance company.
6. Marketing campaigns can be managed well by insurance companies and can be targeted at the right customers.
7. Maintaining customer data bases with their policies through appropriate technology and software
8. Automated business processes have been designed to offer online customer service like real time access to policy status and other information.
9. Integration of functions of various branches of insurance organization with its head office has also been done.
10. Customers can send feedbacks, emails, which enhances customer satisfaction and facilitates faster communication.
11. Best customer support system with live bot chat option

## CRM in Airlines Industry

The success of airlines industry depends upon the management of schedules, processes, human beings and customers' service. These days airline organizations have no other way except making use of e-CRM to have strong footing in this industry. e-CRM has transformed the hospitality sector in the following ways:

1. Web based airlines-passenger interaction system helps the passengers in various situations such as online check-in in emergent situations, reservations, Ticket confirmations, sending emails etc.
2. Airlines data warehouse system helps in storing and maintaining large customers' data sets.
3. Airlines e-CRM operations system assists in collaboration of different processes of airlines industry. The customer data is made available to different organizational departments.
4. e-CRM helps in designing various customer centric initiatives to offer better customer airlines service
5. Managing customer interactions via various channels is one of the effective objectives of e CRM.
6. e-CRM further assists the airlines industry to acquire new customers and retaining existing one by building brand image in the market
7. It has also helped the airlines industry in enhancing revenue by re-acquisition of dissatisfied customers and acquiring the new leads.
8. Implementation of e-CRM has also resulted in the reduction of cost.
9. CRM has also helped in personalization of customer services, solution of customers' issues using web self-service, and enhanced customer satisfaction

## CRM in Telecom Sector

The application of CRM in the telecom sector has revolutionized its working. Telecom companies are offering numerous plans according to the needs and expectations of its customers. For this sector, customer service is the key for survival and loyalty building. Telecom giant Airtel is offering its customers that the company will reach its potential to zero complaints in the next few years. Customer relationship has become the key for telecom companies to differentiate themselves from competitors.

## CRM in Hospitality Industry

Hospitality sector includes travel and tourism industry, hotels, restaurants, event management, foods and beverage sector etc. This industry has emerged as a growing sector, as it focuses on delivering quality leisure services to customers. CRM is inevitable in this sector to offer better customer value and satisfaction. How the customers are treated and greeted make a huge impact on revisit and long-term customer relationships. It creates organizational reputation which is the foundation for survival in the hospitality sector. For example, a customer dines in a restaurant and gets excellent customer service. This customer will surely revisit the restaurant and would also suggest the same to his peers. CRM has transformed the hospitality sector in the following ways:

1. Customers are provided with excellent services in no time. CRM teams make use of reception counters in hotels, restaurants and other hospitality events to greet the guests and solve their queries.
2. Hospitality industry is offering personalized services to every customer by understanding their requirements
3. Customers' complaints are heard and solved at a fast pace, which helps in increased level of customer satisfaction and loyalty. These days customers are offered 24\*7 support via different channels such as live chat, toll free numbers, emails etc.
4. Online companies like amazon, Zomato, Swiggy etc. value the customers and give them option for return, refund and replacement. Once customers get refund for deficiency in services, they feel confident for next purchases.
5. Customers' expectations are researched and well addressed. It makes a customer feel valued during every interaction and leads to positive organizational image in the market.
6. CRM also assists the organization in adding the feature of tangibility in services. For example menu, ambience, music, dance floor, TV screen or other additional services can be used to further position the organization in the minds of customers.
7. CRM helps the hospitality industry to differentiate one service from another e.g. difference in customer dealings or way of serving food in two different hotels.
8. CRM also helps in enhancing revenue and reducing cost in hospitality industry. As satisfied customers repeatedly take service from same service provider, which leads to customer retention along with new customer acquisition.
9. CRM helps hospitality industry in maintaining smooth flow of operations.

## CRM in Health Care Industry

The role of CRM in the health care industry can't be overlooked. CRM assists in:

- Maintaining patients' data base
- Send clients reminders for visit to health care centers
- Customized CRMs for physicians
- Offering online and offline consultation services
- Communication services

## CRM in BPO Industry

BPO has emerged as a crucial segment these days. Advancements in Information and Communication technologies have drastically changed business processes and practices. Organizations can manage their businesses overseas, conduct online meetings, and communicate globally in real time. They can hire the services of other organizations which have the expertise of handling similar processes, which is known as Outsourcing. In this, contract is designed to take the responsibilities and operations of a specific business process by other expert organizations, known as BPOS (Business Process Outsourcing).

BPOs provide voice based (Call centers i.e. telephonic interactions with customers) and non-voice based (back end support e.g., database management, accounts, data entry etc.) services. BPO employees come across large number of customers every day, therefore, management of relationship (CRM) with customers in BPOs is very crucial. CRM has transformed the hospitality sector in the following ways:

1. CRM helps in identifying customers' needs and expectations by establishing rapport with them.
2. It also assists in collecting and analyzing customers' data.
3. It provides customers' transaction history.
4. It assists in better customer interaction and offering solutions to their queries.
5. CRM makes the customer information available while he/she is in call with the BPO representative. It also reduces time lag during real time interactions.
6. Interactive Voice Response (IVR) technology can further enhance relationship with customers, where a pre-recorded voice responds to customer. There is no human interaction, but customer has to enter the information asked by IVR.
7. BPOs also make use of extension numbers to connect the callers with accurate service provider.

## CRM IN MASS MARKETS

The implementation of CRM in mass markets is always a challenge, because CRM focuses on providing customization and individualization, while the concept of mass marketing depends on the idea of 'same product for all'. A mass market company is a company that sells products or services to a large number of consumers e.g. retailers, fast food chains, and telecommunication companies. These companies come across millions of customers.

Such companies can make use of CRM in following ways:

1. Customer Database: As mass market companies have large number of customers, they can design effective databases to manage them effectively and efficiently.
2. Personalization: CRM can be used to store in-depth customer details such as purchase history, demographic characteristics and preferences etc. Such information can be helpful in organizing personalized marketing campaigns and offers. It would lead to enhanced customer loyalty and satisfaction.
3. Automation: CRM can be used to perform the tasks that are of repetitive nature. The automated messages/emails can be planned and appointments with large number of customers can be scheduled by automated systems. It would relieve the employees from repetitive tasks.
4. Segmentation and Targeting: Consumers can be segmented on various criteria and specific groups can be targeted, as the company will be having their demographic and other details. It would help an organization in planning effective marketing campaigns.
5. Identification of Loyal Customers: CRM can help the organization in identifying the loyal customers with their previous purchase history. Organizations can give offers to such customers, which will help in better retention rates.
6. Reporting: CRM software can assist in analysis of customers behaviour and organizational performance. It would lead to better marketing decisions based on available data.
7. Resolving Customer Complaints: Effective CRM will help in knowing and resolving customer issues at the earliest, which would lead to better customer service.

## **CRM IN MANUFACTURING SECTOR**

CRM is not only for sales persons or big industries. Sometimes, it is said that CRM requires huge investments, which is actually not correct. In manufacturing sector as well, the use of CRM is inevitable. It helps in streamlining day to day processes in a manufacturing set up. E-Commerce has made it easy for any person to buy from anywhere in the world. In such competitive environment. It assists in the following areas:

- Offering complete overview of business and generation of leads
- Online CRMs explain customers why they will require company's products
- Prediction of accurate demand i.e. effective sale forecasting
- Optimal supply chain management
- Optimum utilization of sales resources
- Empowering staff with skill training
- Making improvement in product quality
- Making relationship with customers better
- Streamlining sales and marketing process to increase revenue opportunities
- Enhanced customer loyalty and more revenue from existing customers

### **Objectives of CRM in Manufacturing Sector**

1. **Common Database:** The database of all customers can be centralized which can be managed from one place. Therefore, the information of any customer can be assessed anytime at just a click. It will help in:

- Knowing any customer's purchase history
- Identifying potential leads
- Real time data to take informed decisions

2. **Lead Identification and Management:** An effective web-based CRM will help in capturing multiple queries coming from variety of sources such as websites, e. mails, online form filling etc. The company would be able to identify genuine leads, optimally divide leads among service providers and generate required reports as and when required with the help of CRM system.

3. **In-time Delivery, Dispatch and Receipt of Payment:** In the manufacturing sector CRM would track the delivery to customers and payments received. In case of partial payments, it will automatically send reminders. It will:

- Ensure timely dispatch
- Manage delivery logs
- Prepare delivery and dispatch reports
- Information about pending orders
- Requirement of stock replenishment
- Send payment reminders

4. **Enhanced Customer Service Levels:** A good CRM focuses on providing product information to potential clients, seamless and smooth ordering system, tracking order and delivery etc. It will keep record of sales, warranties, and problems reported by customers. Artificial intelligence-based Manufacturing CRM system do all these functions in real time. They offer timely solutions to customer queries, which boosts their confidence in the organization. It enhances the customer satisfaction and loyalty.

5. **Efficiency in Operations:** CRM assists the manufacturing units in the manufacturing process to be done in cost effective manner. It doesn't require any overhead support, which restricts the extra costs. It helps in:

- In-time order processing, which saves customer service time and effort
- On the spot stock monitoring
- No over or under stock as demand is forecasted accurately
- Minimum time taken for identifying genuine leads
- Optimizing the skilled workforce, which leads to reduced employee turnover