

## **Conception Phase: Challenge of CRM**

There is a company named BioFood (fictional name) and as a manager of that company, the conception phase is related to address the challenges of CRM.

### **Introduction**

BioFood company deals with the organic food industry. As the manager of the company the task is to enhance the customer relationship management (CRM) to stay ahead in the market. After doing the deep analysis of the business, we have identified the three CRM challenges:

- Customer Focus
- Customer Acquisition
- Customer Segmentation

These challenges are crucial to address for the company's growth and customer satisfaction.

### **Customer Focus**

Meaning: Customer focus is related with the choice of products and services that customer is interested in.

Key Question for Data Mining: To align the services and products more effectively, how can predict the customer preferences and behaviours?

Data mining can analyse historical purchase data and customer interactions to predict the preferences and behaviours. It enables the personalized customer experiences.

### **Customer Acquisition**

Meaning: Customer acquisition deals with the process that how to attract the customers to buy the company's products and services.

Key Question for Data Mining: What types of the patterns available in the customer data that show the purchasing behaviours?

Data Mining would help us to identify these patterns of purchasing behaviours of the customer that then we can used to attract new customers.

### **Customer Segmentation**

Meaning: Customer segmentation deals with dividing the customers into the groups based on their common characteristics, so can be target them more with marketing and services.

Key Question for Data Mining: How can segment the customers to design the marketing campaigns?

Data mining help us to analyse the customer data in deep manner. It helps to categorize the customers in groups based on their purchasing behaviour, preferences, and demographics. Then, company would be able to make the effective market strategies to attract the customers more to purchase the products.

## Diagram

### Process Diagram of the Customer Relationship Lifecycle



**Figure 1: Customer Relationship Lifecycle**

Here, in the above diagram we can see the process diagram of the customer relationship lifecycle. According to this diagram, CRM has the three main components:

- Customer Focus,
- Customer Acquisition,
- Customer Segmentation

Then, in the outer layer of the diagram, we can see the Data Mining Integration, that deal with the solutions/problems:

- Awareness: Tied to Customer Acquisition
- Engagement: Tied to Customer Focus
- Consideration: Tied to Customer Segmentation
- Purchase: Highlights the data mining's role in converting considerations into purchases
- Loyalty: Emphasizes retention strategies through segmentation insights

## **Conclusion**

We can say here according to the conception phase that we developed that BioFood's CRM strategy has identified key components, customer focus, acquisition, and segmentation. It is the areas to enhance through data mining. By addressing the lifecycle stages of awareness, engagement, consideration, purchase, and loyalty with data mining models, we have aim to solve the challenges and improve the customer relationships.