Customer Relationship Managemen
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Lecture – 38
eCRM : Components and Strategies (Contd.)

Hello everybody welcome to the NPTEL Swayam course on Customer Relationship Management. We are in week 7 and we are discussing internet based CRM and this is Dr. Swagato Chatterjee who is discussing and taking this class for you.

So, in the last two videos, we discussed about the ECRM components. And we discussed about two modules mainly one is the campaign management module and one is the sales management module and how those are applied.

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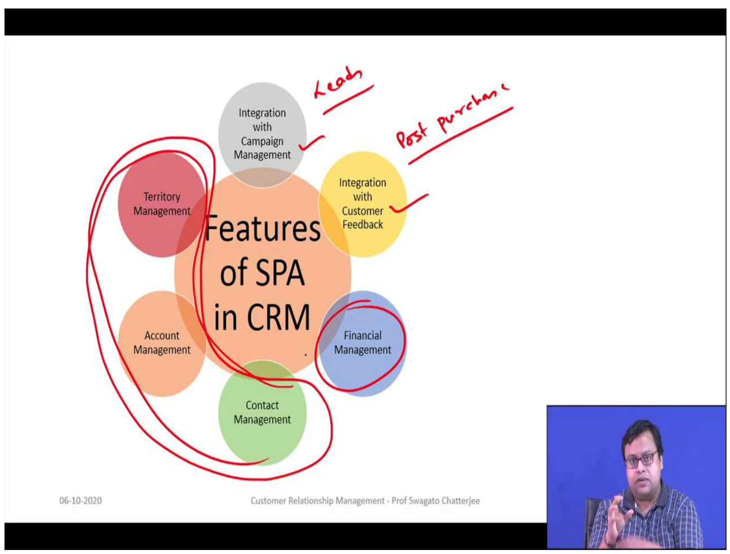

So, we will keep on the discussion and here I am discussing about the features of a sales process. SPA stands for Sales Process Automation. So, what are the various things? So, you have to integrate with campaign management because campaign management leads that – gives you the leads.

So, you have to first indicate that kind of facilities should be there. You have to integrate with customer feedback because that's where people actually will talk about their needs that's where the complaints. as I told that manage objections.

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So, this objection management can be happening. So, you have to integrate with their post purchase also integrate with customer feedback. Then in a sales process one of the major things is to calculate target people based on their profitability CLV.

So, if you had to target people based on their profitability and CLV, I have to know that how much is the revenue generated, how much is my cost. So, integrations with financial management also becomes an important aspect that should be there

Contact and account management and territory management these are all three comes in the same domain while I am trying to do initiate contact identify needs, present, offers and it is a iterative process.

And that is why these three things come together. Contact is from one organization account is,account is a larger part means from one organization there can be multiple contacts. Overall let's say let's say I am a, I am a person who gives lots of a printing services to IIT, Kharagpur; let's assume.

So, if I am a printing service provider to IIT Kharagpur because IIT Kharagpur has lots of program is going on, lots of this brochure printing probably banners printing, flex printing; this printing that printing goes on. Now in IIT Kharagpur, there are various business units, strategic business units. For example, VGSoM Vinod Gupta School of Management is one business unit one department. It has its own account own purchase process own –own influencers who takes the call.

Competitions department will have different electrical department, electronics department, law department. Each of these guys will have their own people who take the decisions for the purchases of that department. Then there will be a squeak office which is let's say that sponsored research office, there will be a outreach office, there will be a deans office, directors office.

These offices will also have their own purchase patterns procedure of purchase might be same, but they are independent in terms of the decision making of the purchases ah subject to certain approvals. Now, if these kind of a setup is there, there are lots of small-small business units are there . I in a single account which is IIT Kharagpur, I might have multiple contacts.

So, if I have I am a CRM manager, I have to have a account management and I also have to have a contact management. The way I will deal a professor from Vinod Gupta School of Management and the way I have to deal a professor from a law school or from a computer science school will be very different depending on what kind of things that I am trying to sell. So, that a CRM manager should know and if he knows that, then this kind of feature should be there separately.

And then territory management; Territory management is, let's say, other than IIT Kharagpur there is probably Tata Metaliks in IIT. There will be let say some other Hitachi firm in IIT. Now these guys Tata Metaliks and Hitachi and etcetera probably their purchases very much centralized not as decentralized as IIT.

So, if they have a centralized procedure, their contact management and account management will be different than IIT Kharagpur. But a territory person who manages the whole Kharagpur zone have to have a look of whatever is the sales process is being adopted, whatever is the sale situation for the whole territory. So, for them for that kind of a higher role in the in the organization, our territory management look will also be important which is also a part of sales.

Now, territory can be Khargpur territory can be the whole zone territory can be India; to be precise or APAC market to be precise. So, how you define territory, it is up to you, but that kind of views should be there in the dashboard in the software tool that you have developed. So, those features are needed in CRM software. You should see when you try to decide that whether you will buy CRM software A or CRM software B, you should know that whether these features are available or not.

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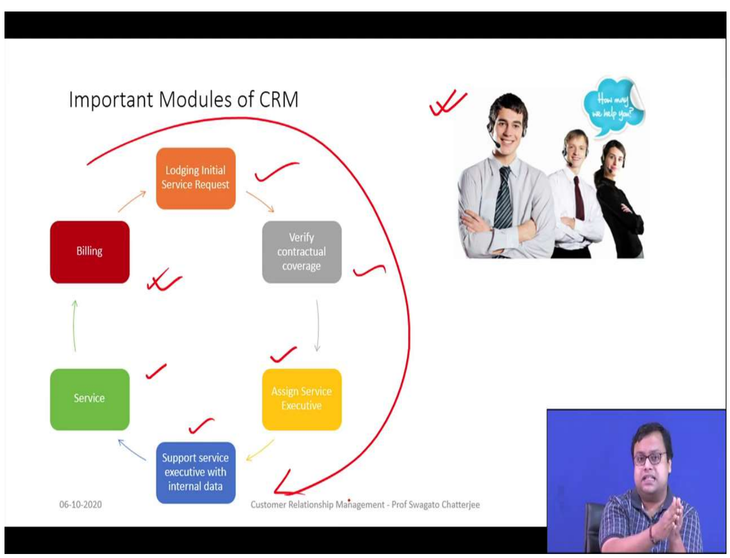

What are the other important modules? One important module is customer feedback as I told that campaign management and sales process should be connected and sales process should also be connected with customer feedback management. So, customer feedback is one single important tool which has to be there; and then there are other CRM modules.

For example, billing, lodging initial service request these are basic steps. So, initial service request and then verifying the contractual coverage whether it is covered in the contract or not if it is outside the contract, assign a service executive support service, executive with internal data about that person. So, that before he arrives to the service space he knows that what kind of things are there, then the service happens and the billing happens.

So, this is the cycle of customer service. So, that that should be customer service modules and these particular aspects should be there in the modules. So, that is also an important module. So, three important modules in the marketing context I told: campaign, sales and customer service. So, these are the three important modules that.

So,it is associated with customer purchase decision making process. The first one is awareness generation that is related with the campaign management tool and next is evaluation of alternatives and information search and evaluation of alternatives. This is where both sales process automation tool and campaign management tool comes into the picture. Then probably purchase happens which is sales automation tool and post purchase which is the feedback management tool. So, all these tools of CRM software is basically connecting with sudden purchase decision making process that customers have in their mind.

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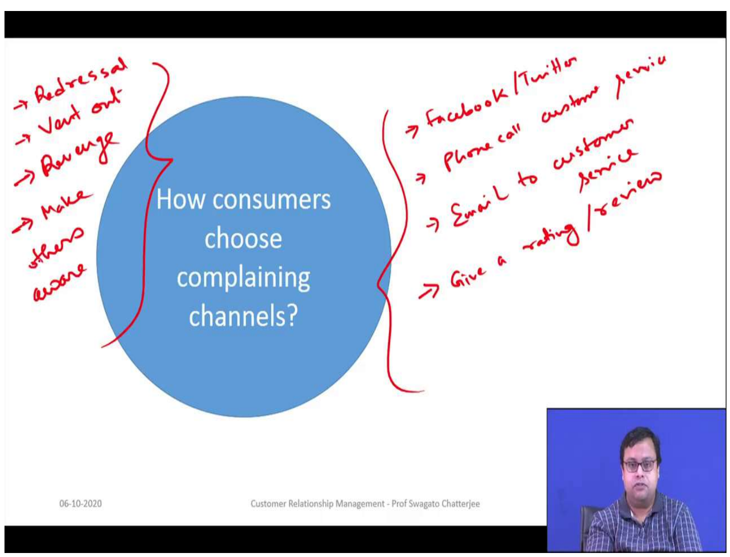

Now when I talk about feedback – I asked you in a different class probably that how consumers choose complaining channels. And, I would probably ask you again and ask you to write it down based on your thought processes that what are the various, various things that you have in your mind when you try to write something some complaint in Facebook or Twitter; when you probably do a phone call to the customer service or email to customer service or let's say give a review, give a rating and review , what do you have in your mind?

And I want to just ask you to map these channels with certain things that you have in your mind. One is let's say, redressal. When you actually want that the customer will the company will solve your problem or let's say vent out; when you want to vent out, just show your anger that is all. When you want to take revenge that okay; you have done a wrong with me, I will also do a wrong with you or when you want to make others aware that okay, you have you have cheated me that is fine, but you should not be able to cheat anybody else.

Now that you have cheated me, it is my right to stop other people from getting cheated. So, can you map this four objectives? Redressal seeking when you are seeking redressal, venting out when you have anger and you want to just vent out, you want to take a revenge. It is not just venting out, you want to harm the person harm the company and make others aware means make other consumers safe. If these are the four objectives, can you map the channels in which you will complain?

So, again I would want to you to give a small exercise go to the forum and write about how we can map these things. And I will give feedback there and you can also discuss with your fellow fellow batch mates who are taking this course that whether whatever you think that these things are related to this thing are making sense or not . Probably you can search in internet and search in some websites also that whether you can get a mapping of this.

Now, why how consumers choose their complaining channels? Often times, I am just giving you that oftentimes, they, they are dependent on what kind of motivations; they have and this motivation and channel charges mapped and why do not you try to find out now how this information will help. I might have a different kind of complain management situation. If I know this information properly as a company, then I might have different kind of complaint management services or complaint management situations in each of these different kinds of complaints.

When different kinds of complaints happens or different kinds of channels where the complaints comes, I might be preconceived that okay this channel is coming up. So, this is something that this customer is asking for. He is either wanting to vent out or want to take revenge.

So, if he is trying to revenge I have to be very proactive. If I he is venting out let him vent out and then we will take a decision. So, whether he will be proactive or reactive, whether will be let him vent out or stop him. All of these decisions depend on the motivation, if you can correctly find out the motivation of the customer. And sometimes that is why this mapping is important. Why do not you try to do that.

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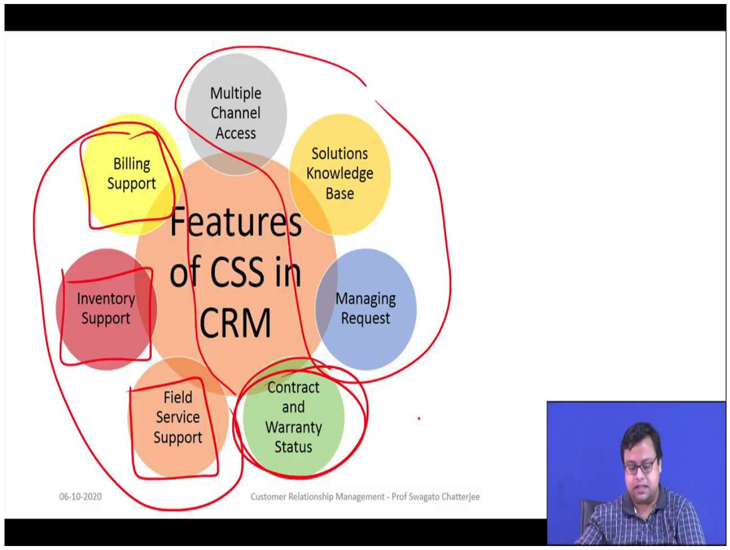

What are the features of customer service kind of a setup in CRM? First of all you have to give multiple channel access. There is a first step first feature that you have to give.

So, they can they can complain in Twitter, they can connect with you in Twitter, in Facebook, in in ah WhatsApp, in the email, in phone number. The more is your more number of channels, you provide the better; then you have to give a solutions' knowledge base there whoever is the customer service agent if there is an agent.

He or she should have a knowledge base with his hands so, that they can answer certain basic questions very quickly. They can also, there has to be also a set of, or you can also have an effective kind of a set of what people can find out their own answers on their own. For example, you will see in Amazon, there are consumer questions and consumer answers that are there; above the reviews those kind of things are there.

So, if you are going to buy something, you can ask questions and somebody else will probably ask and give answers to those questions. And some of the questions are common frequently asked and you might find out those questions already written on their answers are already written there. So, that knowledge base has to be created.

First managing request, you have to have a very strong request management kind of a platform. Contract and warranty status; so, each person the moment they are giving some request as I told that in a service request kind of a setup they, the service person whoever is assigning a service agent and etcetera, they have to tell the service agent what whether the service is under contract or not because based on that the billing will be different.

So, there has to be a system which is integrated with your original sales process automation system and work contract and warranty status can be collected very easily. The field service support, the original team, the HR people so, the hr where, where the team management is done, where the allocation is done that should also be connected with customer service. Because if you say that okay you, you have to give them that time the service time you know that on this day that time it will be assigned.

Now, this assignment has to be done very quickly. You note down the request and very quickly this assignment has to be done probably within 1 hour-2 hour. Now to do it within 1 hour and 2 hour, this system has to be integrated with the manual with the human manpower management system until and unless it is integrated you cannot ensure that manpower will be probably allocated to this particular service request.

So, these two has to be integrated. So, field service support has to be integrated; the inventory support has to be integrated. Sometimes the, you are asking for certain products or features or certain aspects which for which inventory is required which let's of spare parts or certain, certain ah services which require certain kinds of products. So, for that inventory management and also the billing support.

So, all these three things is basically related to the job the service related and this one is basically the getting the problem, understanding the problem, managing the problem that related.

So, this these three are work related, this is management related and this one is whether this work will be build or not what should be the what is the I would say contract or warranty status about that that is another way. So, that is how I can break the features into three groups and these features are important in a customer service kind of a module.

So, again as I go ahead, I will say that the three modules are there. Primarily three modules: one is Campaign, one is Sales Process, one is Customer Service.

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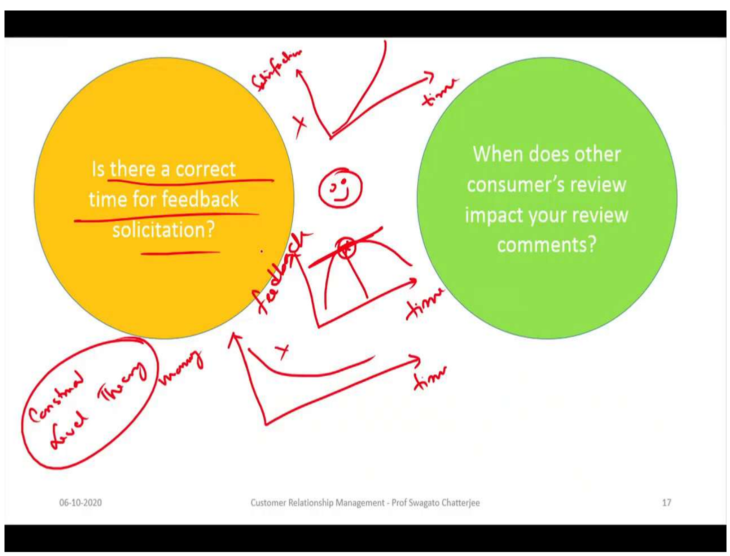

So, when you ask for feedback, I just told that you should have multiple channels to do the feedback. So, when you ask for feedback, is there a correct time for feedback solicitation? So, when should you ask for feedback? Just after the service? 1 day after the service? 1 week after the service? 1 month after the service? Can you tell me?

So, often we ask for the service then and there, but it has been seen, there are research which says that if you do the, as, as you asked for the service as close as possible, the memory is high. So, if the service is good if the person you know that you have given a good service. The memory and time has a decay effect it looks like this that is fine. But there is something called time and let's say the satisfaction.

So, satisfaction and time with the same experience goes up over time. With the same positive experience as time goes up the satisfaction with that particular thing goes up, why? Because there is a theory called construal-level theory which says that when –when we are in a time distance when, when the psychological distant about from an event and my mind is high, we generally do not focus on nitty gritty.

So, we do focus on the overall abstract output. So, in a good service how you give the service whether you should give good service or not how much I paid you whether, whether I deserve it or not these kind of questions does not come up.

In a high time distance, the only thing comes about that at the end of the day whether I was happy or not and that happiness increases as the time distance increases. Now then there is a dilemma and these two together gives an idea that there is an optimal time of, of feedback solicitation.

So, you will see that below there is an optimal time . I am sorry the curve does not look like this, the curve basically look like these two together; this into this basically will create a curve this is not, not the below one plus the above one, but below one multiplied by the above one will create a curve like this.

And there is an optimal time when you get highest feedback for the same rating; for the same experience. So, this is very important to find out at what point this becomes the highest. And the point that it becomes highest is the optimal time correct time for feedback solicitation.

Generally it is let's say probably 2-3 days after the service not exactly after the service 2-3 days after the service is sometime. So, that is something that you have to find out in your context. When did I ask service? it it might be asked for feedback; it might be different for different service situation.

If you have database, if you have a huge amount of database; you can see that, let's say, you have asked people to rates rate the service and give certain feedback. So, the feedback sentiment is, is basically a cognitive sentiment; cognitive output because when you write feedback you little think a little bit, but when you just put a rating it is a very impulsive thing. You just quickly give the rating, you do not think a lot. So, the cognitive part is actually your service experience under rating part is the impulsive one.

Now, as I was telling that impulse will depend on the impulsive rating will depend on the memory that you have and the overall good feeling that you have. Now you might want to know that after I removed the cognitive experience part how much is coming from this impulsive thing.

And you might to try to find out whether that varies depending on time at what time I have solicited the – you might have your campaign management system or your sorry you your customer service request management system and based on that systems data you can probably try to find out that, what is the optimal time.

We have done a research on that and I will I will share this particular paper on this which we have worked on and you might find it interesting. So, you might want to read it. When does other consumers' reviews impact your review comments? This is also a classic problem and that also comes up from this construal-level theory. Sometimes if a customer is close enough if it's a close customer, you, you believe your friend more than somebody else depending on what you are buying.

If it is a product which is which is, which is a very important product, you might give more important importance to an opinion of a person who is an expert than your friend. But if it is not so important product; if it is a low construal product, then you might give more focus on your friends request than somebody else.

So, these are some of the classic questions that I am asking you and you try to find out the answers from your own experience also, from searching internet also. Try to put these answers in the forum and try to engage that whether customer service can be done in a better way if you follow one time – follow certain basic strategies like when you will ask your service or whether you will say that okay many people have given rating, whether reviews should be shown before it just before this person have given, given his feedback or not.

So, whether you want to, how you can influence the feedback that person is providing you, whether that can be done or not. These are some classic questions that we can think about when we are adopting the internet-based CRM systems.

So, that is all for me the three system that I have talked about. Thank you very much. I will see you with a new topic in the next video.

Thank you.