

Customer Relationship Management

Chapter 3



CRM as an Integral Business Strategy

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Instructional Outcomes:

By the end of chapter 3, learners will be able to:

- Formulate the CRM Strategy.
- Explain the three value disciplines (strategies) according to Treacy and Wiersema.
- Describe how we relate the CRM strategy to the internal and external environments.
- Discuss the benefits of implementing a successful CRM strategy.



Operational excellence

- Develop a selling point that no one else can match in terms of price, quality, and convenience of acquisition.
- Provide affordable prices and hassle-free service, certainly.
- Prioritize gaining cost leadership to succeed. Fast food chain McDonald's and computer manufacturer Apple

Product Leadership

- Make an effort to introduce innovative ideas and revitalize the old.
- Creative people are inspired and have lots of ideas.
- Risky.
- Decisions must be made quickly. As in: Apple, Nike



Customer Intimacy

Customer relationships

There is much emphasis on:

Who do we want as a customer, and who do we not want?

The company considers a customer's "lifetime value," rather than just the profit or loss of individual transactions.



Conclusion

Which value discipline best complements the CRM strategy?

Conclusion



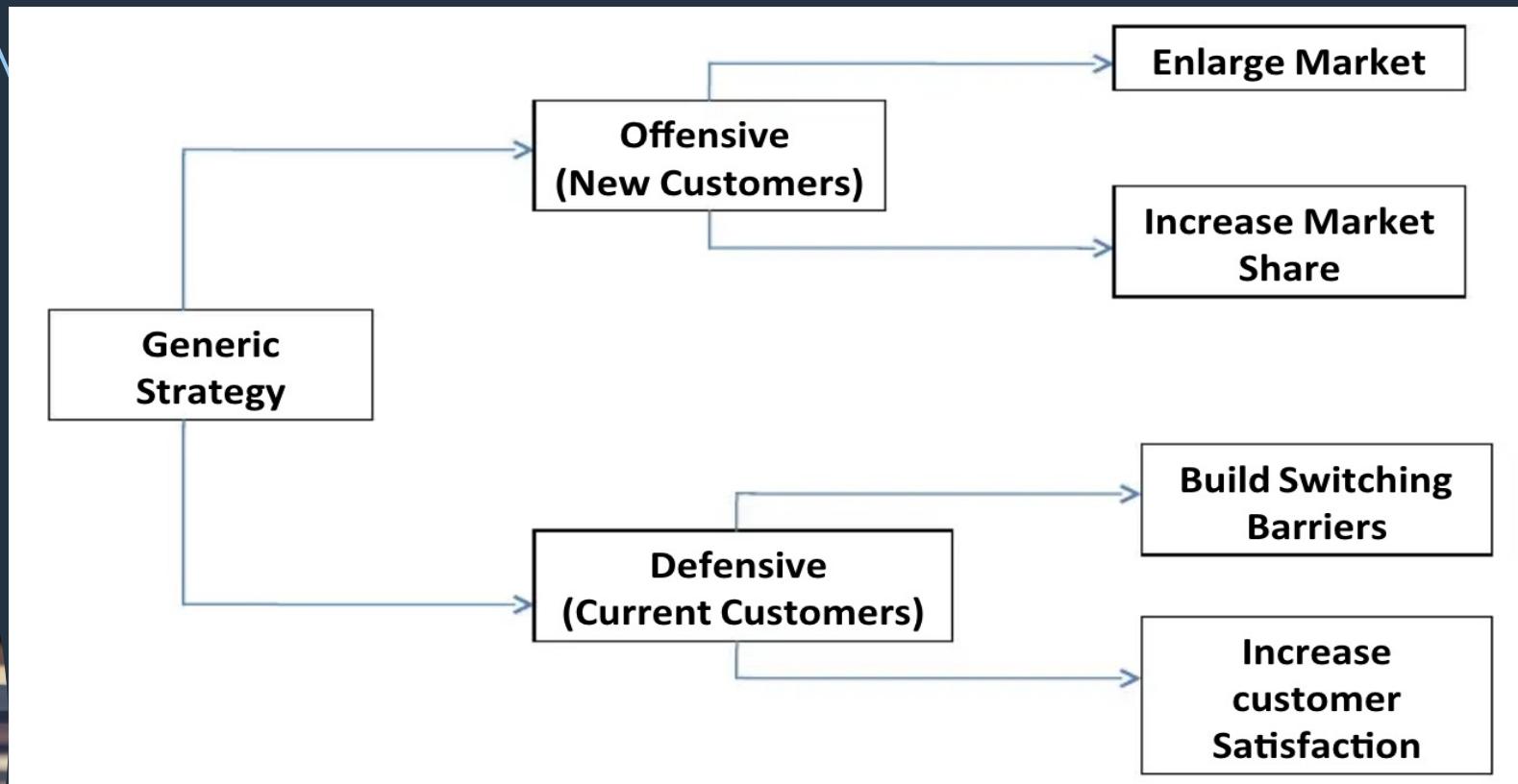
Combining the three value disciplines is not advisable.



Even an organization that aims for operational excellence will need to maintain a minimal degree of innovation and provide each individual customer the attention and care they expect.



Offensive versus Defensive Strategy



Discussion

Strategic Customer
Relationship
Management in the
Real World

- Internal
- External





References

Beltman, R., & Peleen, E. (2013). *Customer relationship management*. Pearson Deutschland GmbH / STARK Verlag GmbH.
<https://www.pearson.de/customer-relationship-management-pdf-ebook-9780273774976>

Useful Resources

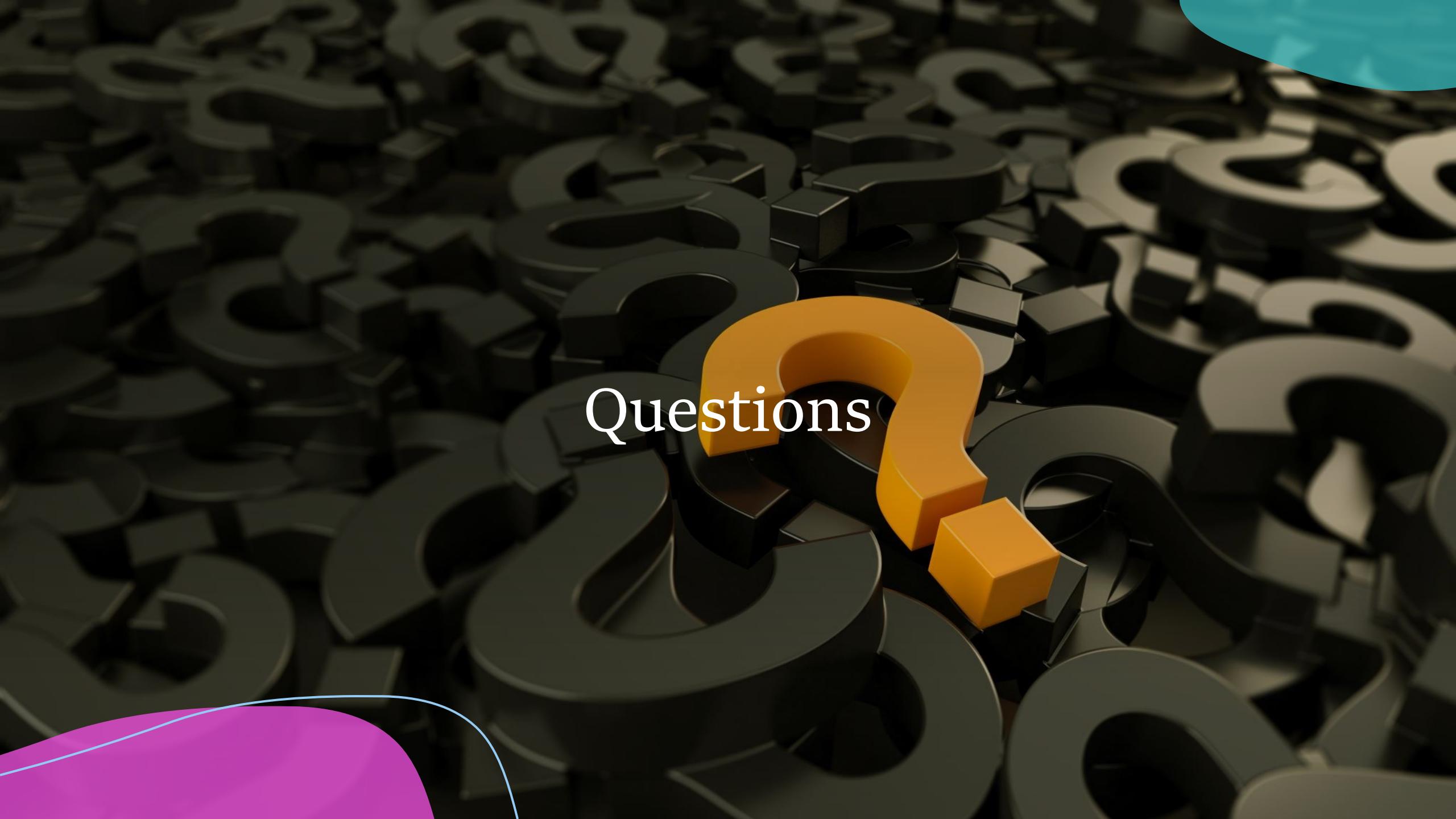
- Customer Think. (2023). Customer-centric business. <https://customerthink.com/>
- Hargrave, M. (2022, October 2). What is CRM? customer relationship management defined. Investopedia. https://www.investopedia.com/terms/c/customer_relation_management.asp





Journal References

- Harvard Business Review
- International Journal of Contemporary Hospitality Management
- International Journal of Service Industry Management
- Journal of Consumer Marketing
- Journal of Customer Service
- Journal of Professional Services Marketing
- Service Industries Journal



Questions

Thank you!

