

## **CUSTOMER RELATIONSHIP MANAGEMENT**

Customer relationship management (CRM) is a widely implemented strategy for managing a company's interactions with [customers](#), clients and sales prospects. It involves using technology to organize, automate, and synchronize business processes - principally [sales](#) activities, but also those for [marketing](#), [customer service](#), and [technical support](#). The overall goals are to find, attract, and win new clients, nurture and retain those the company already has, entice former clients back into the fold, and reduce the costs of marketing and client service. Customer relationship management describes a company-wide business strategy including customer-interface departments as well as other departments. Measuring and valuing customer relationships is critical to implementing this strategy.

A CRM system may be chosen because it is thought to provide the following advantages:

- Quality and efficiency
- Decrease in overall costs
- Decision support
- Enterprise agility
- Customer Attention.

Successful development, implementation, use and support of customer relationship management systems can provide a significant advantage to the user, but often, there are obstacles that obstruct the user from using the system to its full potential. Instances of a CRM attempting to contain a large, complex group of data can become cumbersome and difficult to understand for an ill-trained user.

Additionally, an interface that is difficult to navigate or understand can hinder the CRM's effectiveness, causing users to pick and choose which areas of the system to be used, while others may be pushed aside. This fragmented implementation can cause inherent challenges, as only certain parts are used and the system is not fully functional. The increased use of customer relationship management software has also led to an industry-wide shift in evaluating the role

of the developer in designing and maintaining its software. Companies are urged to consider the overall impact of a viable CRM software suite and the potential for good or harm in its use.

Tools and workflows can be complex, especially for large businesses. Previously these tools were generally limited to simple CRM solutions which focused on monitoring and recording interactions and communications. Software solutions then expanded to embrace deal tracking, territories, opportunities, and the sales pipeline itself. Next came the advent of tools for other client-interface business functions, as described below. These tools have been, and still are, offered as on-premises software that companies purchase and run on their own IT infrastructure.

In a 2007 survey from the U.K., four-fifths of senior executives reported that their biggest challenge is getting their staff to use the systems they had installed. Further, 43 percent of respondents said they use less than half the functionality of their existing system; 72 percent indicated they would trade functionality for ease of use; 51 percent cited data synchronization as a major issue; and 67 percent said that finding time to evaluate systems was a major problem. With expenditures expected to exceed \$11 billion in 2010, enterprises need to address and overcome persistent adoption challenges.

The amount of time needed for the development and implementation of a customer relationship management system can prove costly to the implementation as well. Research indicates that implementation timelines that are greater than 90 days in length run an increased risk in the CRM system failing to yield successful results.