Customer Relationship Management in Service Industry"

Abhishek Ashok Khadtare
Assistant Professor

and

Mrs. Meghna .A.Navale
(Assistant Professor)

Mr. Vasim Sardar Kalavant
(Assistant Professor)
Sinhgad Institute of Business Management, Kamlapur
Affiliated to Solapur University, Solapur.

INTRODUCTION

Customer focus and relationship management have become fundamental marketing and business philosophies for many companies seeking competitive advantage. Establishing, maintaining and enhancing customer relationships have always been an important aspect of business. Although CRM is considered to be a business philosophy closely related to relationship marketing, it is the linkage with technology that is particularly of great interest. Marketing academics have begun to explore and understand the linkage between CRM technology, relationship marketing and business relationships as providing opportunities for sustainable competitive advantage.

Due to rapid development of the Internet, e-commerce and self-service customer support, there are increased expectations from customers for improved, personalized service and immediacy. Marketing practitioners are now using technology to their advantage and working closely to deliver value to the organization and to the customer. This has prompted marketing practitioners to use technology to capture and use customer information in order to better meet customer demands. Customer relationships are considered superior to transactional exchange in their ability to create sustainable competitive advantage and superior business performance.

The service sector is receiving much deserved attention resulting from its inevitable role in a country's economic de-elopement. Despite all the efforts gaps such as the relationship between technological advances and service development are yet to be revealed from the perspective of new applications that organizations want to develop and implement.

OBJECTIVES OF THE STUDY

1) Comparative analysis of CRM strategies are used by Air Tel
2) To find out how Mobile Market (We Considered Air Tel as one Case Study) are using Information Technology (IT) application for relationship marketing.
3) To find out which facilities are need to give by Air Tel in order to delight their customers and employees.

RESEARCH METHODOLGY

Research design constitutes the blue print for the collection, measurement and analysis of data. In this research to understand CRM in Telecom industry we have taken Case Study on "Air Tel" who already adopted CRM in their business.

SOURCES OF DATA: -

A case Study on Air Tel has been selected for the purpose of conducting study.

Secondary Data:

Secondary data are those data, which are already published. It may be useful for many other people than the researcher who has published it. There are various sources of secondary data collection.

- Articles on CRM taken from journals, magazines published from time to time.
- Through internet.
- Magazines
- Library Records

Problems Faces & Reason Of Implementation

- When Bharti had started out operations (1995), the whole system was manual
- Only **40 percent** of the customer issues were getting resolved
- Were not meeting the customer's expectations
- Customer loyalty was a major concern.
- Had many local players (dealers, vendors etc)
- Had huge issues in meeting the demands of the growing customer base.
- Were not able to centralize the services and give a common brand experience.
- Was hard to service customers across sectors.
- The subscriber base was growing at a healthy 15-20%. Airtel crossed the 1 million mark in 2002.

Hindering Growth

- Not able to recharge amounts anywhere in India. One had to carry scratch cards.
- Not able to pay bills anywhere in India
- Low customer retention
- Hutch's (now Vodafone) customer service was rated far superior.

Existing System (Before 2003)

- Individual modules for each of the processes

1. Order processing
2. Project management
3. Billing
4. Customer details
5. Call center operations
6. Direct Marketing
7. Sales Management
8. Channel Management

Implementation

A Simple Thing Come In Mind How?

Three Step Program

- Evaluation:
  - Technology evaluation
  - Equipment and technical evaluation was done
  - GAP analysis
- Internal restructuring and reengineering
  - Analyze issues surrounding scalability,
  - Business growth
  - Market and regulatory environments

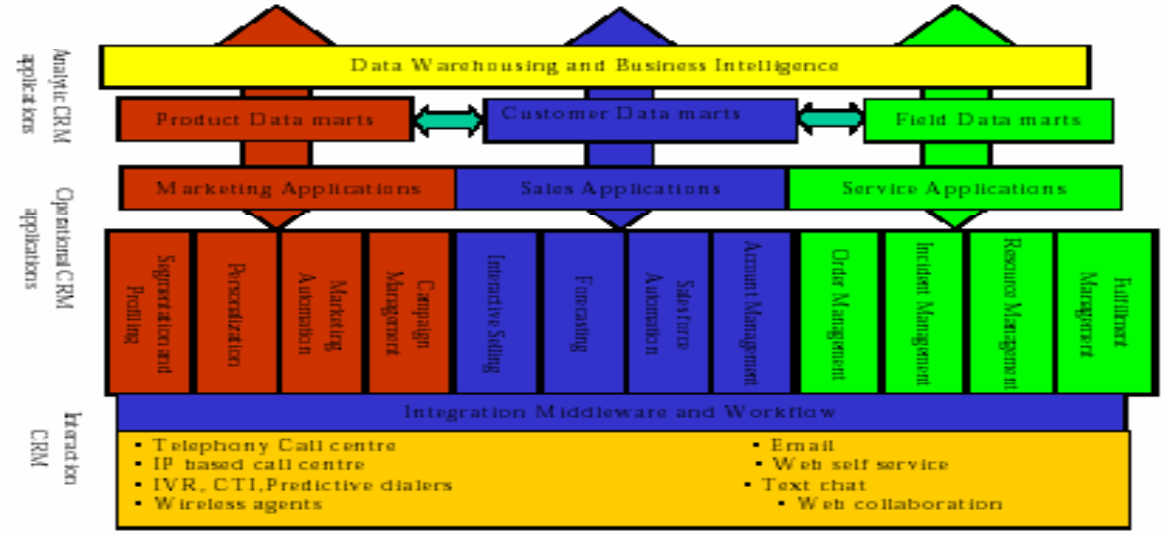
- Implementation
  - Pilot launched
  - Feedback received with problems and suggestions

- After reengineering user validation was sought
- All these were rolled into Airtel's Roadmap for CRM

ORACLE CRM

"As part of our vision, we intend to provide AirTel services anywhere and at any time. A customer should get the same quality of service no matter which of our call centers he contacts. This has been our vision, and because of that we have gone in for a centralized application like CRM, "- **Amrita Gangotra**, Group Chief, IT Solution Engagement.

What Is CRM



- Business approach that understands anticipates and manages the need of current and potential customer of an organization.
- Integrating People, Processes and Technology of an organization
- Effective use of Information about customer to maximize customer satisfaction as well as cost reduction and increased profitability for an organization

CRM Technology Architecture

It Is Bread & Butter

- Installed a WAN
- Multiple Leased lines on all major locations
- Initiated the process of setting up an extranet to reach out to vendors and dealers

ORACLE CRM

- Storage Area Network (SAN) was put in place
- The main data center is located at Gurgaon
- Oracle CRM went live in the first quarter of 2004
- Managed to overcome many technical problems
- Technology partners include Oracle, SUN Microsystems, IBM and HP.

- Voice services (IVR) are provided by Nortel which was integrated with Oracle CRM.

Two Sides Of Coin

- Operational CRM

1. Workflow
2. Day-to-day activities

- Analytical CRM

1. Customer information
2. Business development

Modules Used At Air Tel

- Marketing
- Planning
- Campaign Management
- Lead Management
- Sales
- Activity Management
- Knowledge Management (FAQs, How to guides)
- Call Center Support
- Opportunity Management

Issues Faced During Implementation

- Problem getting user community (employees) to accept it
- Users forced to work harder to create processes and re-engineer systems around the new implementation
- CRM Training for all related employees
- Even best in class products are known to fail because of poor training

Benefits Of ORACAL CRM

- Customer segmentation
- Cross selling and up selling of relevant schemes
- Market analytics like records of customer profiles, profile, payment history etc
- Generation of accurate leads and SMS bursts that target only the right customers based on their segmentation is possible
- First time resolution has increased from 40 % to more than 90 %.
- Customized and simplified bill formats, payment collection centers, network deployments, and the activation process was enabled
- Better value added services were provided
- It facilitated knowledge sharing amongst employees.
- Started e-billing
- Customized offers based on usage profiles.

1. Discounts on reaching threshold
2. Recharge offers to low worth users
3. Invitations to movie screenings and events
4. Up selling of services to select customers

- Online customer support on new system
- The customer gets the same level of service across India especially from call centers.
- Reduced cost of customer or customer acquisition cost
- System is highly scalable as the number of subscribers increase.
- Airtel reached the 50 million subscriber mark recently.
- Automatic escalation of problem to superior authority on breaching pre-set time limit.
- CRM automatically suggests products to customer when they announce to leave Airtel.
- Has resulted in savings because of fewer calls.

Issues Faced After Implementation

- Functional
  1. Monitoring how the customers interact with the organization using the various modules of the CRM
  2. Visibility of business transactions across India
- Operational
  1. Monitor SLAs
  2. Maintenance and modification
  3. Data flow
- Change Management
  1. Oversee enhancement
  2. Constantly improve customer experience
- Aligning CRM to Airtel's vision and growth objectives
- Finding the right CRM Managers has been a burning issue in India.

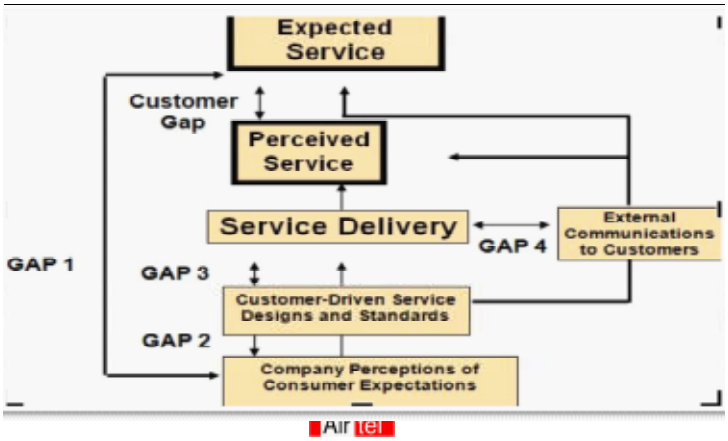
E- CRM Initiatives

- After implementation of the Oracle CRM, Airtel now implementing e-CRM.
- e-CRM implementation partner is IBM

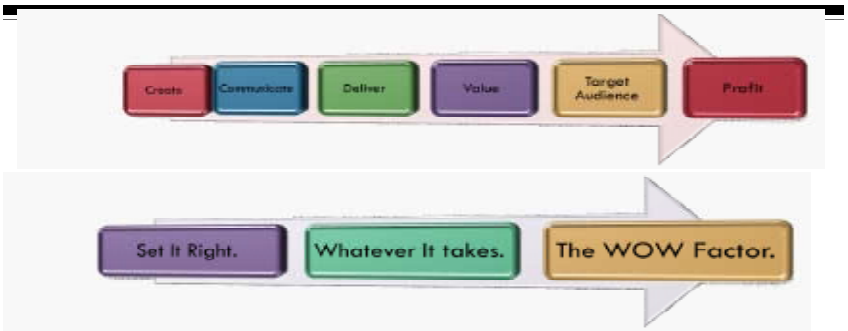
Success Pyramid of Airtel

- Would provide a host of services now running on Oracle CRM
  1. Online customer support
  2. Customer profiling
  3. Web interface
  4. Sales management for vendors and partners

Gap Analysis of Airtel



Creating Perception & Value Delivery



Creating Perception & Delivering Value as per Gap Analysis

Air tel

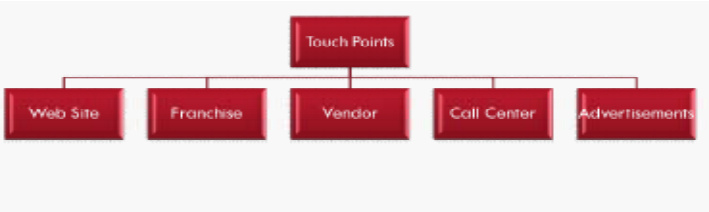
Service Recovery At Air Tel

- Retention plans
- Loyalty Plans
- 100% bill accuracy guarantee.(Key driver)
- Offer of the day.
- World on finger tips

Feed Back

- Ensuring Feed Back from all in Airtel World.
- Ensuring Feedback on all calls from 121.
- Feedback survey done every week.
- Feedback from vendors.

Airtel's Success



Airtel

Road map – Wireless Market

	Current	Proposed
Presence	Operational in 22 circles of India on GSM technology. Launched Operations in Srilanka	Looking for options primarily in emerging markets.
Population Coverage	82% of population covering 5067 census towns and over 4 lakh non-census towns and villages.	• Poised to cover all census towns and majority of non-census towns and villages • Penetration wider and deeper into rural India
Network Rollout & Strength	• Hive off of passive infrastructure into a separate independent tower company • Largest GSM (900/1800 Mhz) network in India comprising of over 96,149 network sites • Strong partners: Ericsson; Nokia; Huawei; Alcatel Lucent	• Network sites – 100,000 + • Plan to get 3G license and spectrum.

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Mobile Services | Telemedia Services| Enterprise Services

Airtel

Road map – Wireless Market

	Current	Proposed
Sales & Distribution Network	• One of the widest distribution network. • Following the FMCG company distribution model - Match Box Approach • Present in over a million PoP in India. • Tie-up with IFFCO, an edge over others to reach out to Rural India	• Continue distribution expansion, especially in rural areas
Customer Service	• Continuous improvement in CSAT scores • Multi pronged service strategy in place	• Focus on service through service training and employee sensitivity • Unified service backend for enhanced customer experience
Employee Engagement	• Significant improvement in employee engagement • Awarded "Great Work Place 2008" by Gallup	• Sustain employee engagement • Focus on employee capability development and leadership pipeline

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Mobile Services | Telemedia Services| Enterprise Services

Airtel

Conclusion

With such a narrow window, we have to make sure we score every time. We use CRM analytics to generate accurate leads from a customer database. We're going to try and capitalize on information.

- The results so far have been promising
- Airtel has been presently riding on the telecom boom.
- CRM's effectiveness would be put to test during slump.
- Airtel chose the right implementation partners
- This model would be implemented across all group companies.

Suggestion

- The call centre should be more equipped to divulge more information.
- Increase in advertisement to compete against Vodafone.

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