

Chapter 7

Conclusion and Recommendation

The Customer relationship management can increase the customer loyalty, keep the existing customer, gain new customer and increase company profitability in the same time.

7.1 SETUP CRM PROJECT

To Gain the maximum efficiency of CRM project, company implemented the project by setup the project team and implement the strategy follow the CRM principle as follow.

1. Setting the strategy
2. Gaining customer insights
3. Realizing greater value from customer contact activities
4. Transforming marketing

Then company need to redesign the business process to support the CRM system as the project team set it up based on the CRM principle. Then company realizes that the business process is quite complex and need the CRM software to support to be faster and more accurate.

Finally, company had the new business process and software to use as the tool to implement the CRM project in the company. Without these tools, the company may not successfully implement the CRM and gain the benefit from them.

7.2 IMPLEMENTING CRM

From the capability of new process and software, company can use the data in the database to be the source to generate the marketing activity to keep the existing customer, improve their loyalty and gain more profitability for the company as follow.

- Company magazine
- Product application journal
- Executive service for value customer.

This activity is use in the company during the implementation phase of CRM. Finally after 6 month of implementation of CRM system, company setups the evaluation team to measure the benefit and performance of CRM project to improve it in the future.

7.3 EVALUATION

From the previous chapter which explains about the evaluation and measurement about the customer satisfaction and company profitability, the project team collected the data and used it to analyze to get the result and performance of CRM project as follow.

7.3.1 Customer satisfaction

From the data and chart, it showed the significant number reduce in customer negative feedback and customer complaint at about 25%. When considered to the reason of the problem, it showed the huge number reduction in controllable problem which company can control it by doing it right at first time. This data can show the improvement of customer satisfaction for the company in significant number. However, this data can not measure in all the benefit and future opportunity of the company but is showed the increment of customer loyalty to the company in the future. This is the most important

factor for every business to gain more and more customer loyalty and customer satisfaction from today until tomorrow.

However, UT still needs to improve the process to reduce the controllable problem down to zero in the future to gain the maximum competitive advantage over the competitor and improve the customer satisfaction in higher level. This data can show the idea of intangible benefit for this project in the company. However, every company needed to get the tangible benefit in term of financial perspective to show for the shareholder. Therefore, project need to evaluate the tangible benefit which is the financial perspective to the company too.

7.3.2 New customer

This information had shown the significant increase for 40% in new customer between year 2003 and year 2004 which implement the CRM to the company. However, the most important is the number of increasing is come from the CRM channel and trend to be more and more in the future.

However, the company need to be carefully and keep control to the sales force that they still find a new customer by themselves not only wait for the customer from the pull system like CRM. The push system (Sales call) is still needed for the business like industrial equipment business like this. In other hand, the company can not use the CRM only but they do need to have the strong and experience sales force to give the advise, get the customer data and act like customer's partner to understand and fulfill the customer requirement. The CRM will do their job to help sales force to close the deal and increase the chance for the sales force to change the prospect to become a real customer for the company.

7.3.3 Company profitability

This measurement can show that the company profitability is increase from reallocate marketing resource to significant growth potential business and in the same time reduce the underperforming marketing activity. In other

hand, CRM also can reduce the operating cost from unnecessary cost in a significant number and increase the profitability of the company in long term business. This project can save 0.4 million baht per year for the company and the most important benefit in this project is customer satisfaction improvement which will create much more profitability of the company in the future.

When consider to return of investment, this project used the total investment cost at about 0.33 million baht to implement while it can save 0.4 million baht per year only from the unnecessary cost in first years and trend to save more cost in the future. Therefore, this is a very good project investment for company.

However, the significant impact for this project in company profitability is not his cost but it is the future opportunities for business growth and competitive advantage in the market. This benefit can make more than a million of baht for company but it also can help the company to survive in the competition of industrial equipment market in Thailand also.

7.4 SUGGESTION FOR IMPROVEMENT

Nevertheless, one topic that is very important for the industrial equipment company did not implement in this project is customer-centric service management. CCSM can generate the life time revenue for the company to supply the service and spare part to their product in the customer side. This business can generate more profitable and less operating cost if company implemented it in the right way. CCSM can not implement for the company because of time and data constraint. Due to, most of industrial product had at least 3 years life time until it needed the maintenance to change the spare part and etc. Therefore, company can not measure the result of customer-centric service management with in limited time as this project because the company did not collect the data history more than 3 years. The company start using the new software which can record the history in the end of 2001 which less than 3 years. However, in some company which already collect the data about where they

sell their product more than 3 year they can implement CCSM and measure the result in term of tangible and intangible benefit which company can not done it. In some cases, the spare part and service can generate the profit margin more than a new product and also gain the customer satisfaction together.

Therefore, customer-centric service management (CCSM) is the next step for the company to implement it in the future to gain the most competitive advantage from the market.