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Robust Supplier
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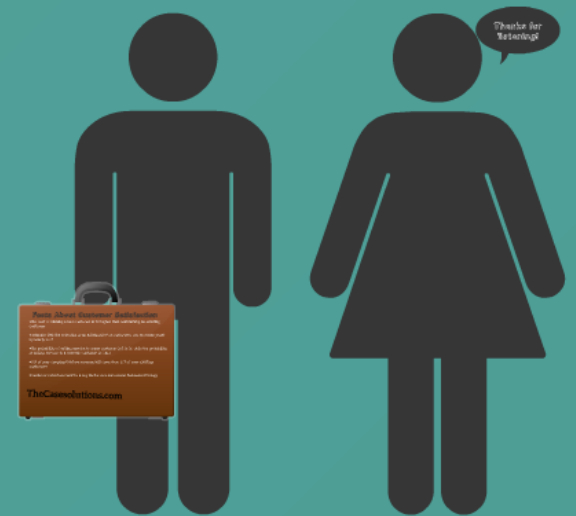
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CUSTOMER RELATIONSHIP MANAGEMENT

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REFERENCES

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Economic Downturn

Customer Relationship Management
BUSI 610
Matthew Sherry & Stacey McCombe

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Facts About Customer Satisfaction

★The cost of winning a new customer is 5x higher than maintaining an existing customer

★Estimate that the retention of an additional 5% of customers, can increase profit by nearly 100%

★The probability of selling service to a new customer is 1 in 16, while the probability of selling service to a current customer is 1 in 2

★80% of your company's future revenue will come from 20% of your existing customers

★Customer retention must be a key factor in a successful business strategy

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CUSTOMER RELATIONSHIP MANAGEMENT

CRM DEFINED:

Customer relationship management (CRM) is a combination of people, processes and technology that seeks to understand a company's customers. (Injazz, 2003).

CRM, represents a business strategy as well as a technology solution to create and manage long-term relationships with customers (Injazz, 2013)

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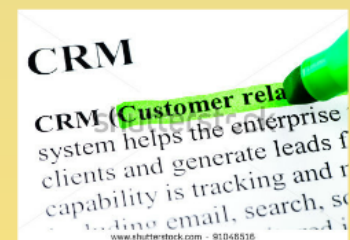
CRM is not just software but a tool to:

★Extracts customer knowledge by collecting customer data

★Turn large amounts of data into useful information to help better improve the "customer experience".

★Customer interactions become faster and more efficient

★By properly analyzing and utilizing CRM, a growing foundation loyal cliental is formed

★ Proper utilization of CRM assists in the increase of revenue and profitability

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EXAMPLE OF CRM

Ritz-Carlton, an upscale chain of hotels, records guest preferences gleaned from conversation with customers during their stay and uses them to tailor the services that customers receive on their next visit at any other Ritz-Carlton in the world. (Injazz, 2003).

CLASS (form of CRM software) is fully integrated with the Ritz-Carlton's property management system and allows users to do most of their work at one time in one application.

Example: Bed type preferences & smoker or nonsmoker.

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EXAMPLE: DELL COMPUTERS

Dell customers are able to configure their own system, from thousands of hardware and software combinations, with an easy-to-use ordering system that provides delivery dates as well as progress updates

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