Studying The Customer Relationship Management: A Case Study at Persian Technology Firm

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Abstract

In the last decade, the ever increasing pressure of competition faced by businesses has led to the development of Customer Relationship Management (CRM). CRM has been widely promoted as a critical contributor to business survival. This research argues that CRM is not simply a software package or a computer program. CRM, instead, should be perceived as a strategic issue in order to realize its potential. In addition, this study also argues that CRM implementation is affected by organizational, strategic and cultural factors. This study was conducted within the Persian technology firm. Results suggest that there are positive relations between a company’s CRM implementation and its practice of organizational, strategic, and cultural issues. In particular, three organizational issues organizational integration, executive commitment, system readiness, and; three strategic issues – vision, planning, and customer-centred culture; and two cultural issue – networking - human interaction., have an impact on a company’s CRM implementation.

Key words: Customer Relationship Management, Relationship Marketing, vision, strategy, customer information, custom-centred culture, Persian technology firm, Iran

JEL Classification: M100, M310, Z000

Introduction

In the last 10 years, the development of Internet technology has led to a review of traditional business practices (Davenport and Short, 1990). The extensive use of Internet technology has removed geographical boundaries typically associated with bricks-and-mortar businesses and is uniting previously isolated markets into one competitive global market (Milio, 2001, Rau and Liang, 2003). In addition, globalization and the development of the Internet have resulted in the situation where information has become more readily accessible and consumers are now better informed. This, in turn, contributes to changes in customer’s behaviors and escalation of customers’ expectations (Goldenberg, 2004, Karkoviata, 2001, Mahmoud and Bagchi, 2004). Due to these changes within the business environment, more companies have recognized the
critical value of customers (Croteau and Li, 2003), and customer service related activities have become one of the most important issues of business practices (Morash, 2001).

Literature Review and Hypotheses

Literature Review

The Customer Relationship Management (CRM) concept is closely associated with Relationship Marketing (Bull, 2003, Payne and Frow, 2004). Relationship marketing is defined as follows: “the organizational development and maintenance of mutually rewarding relationships with customers achieved via the total integration of information and quality management systems, service support, business strategy and organizational mission in order to delight the customer and secure a profitable lasting business” (Bennett, 1996)

Definition of Customer Relationship Management (CRM)

This study defines CRM as a customer-centred managerial strategy that aims to establish long-term relationships with profitable customers, by utilizing comprehensive customer knowledge.

This definition emphasizes the importance of continuously identifying and satisfying customers' ever-changing needs by the facilitation of appropriate organizational structure and management approaches (Stefanou et al., 2003).

The key components of this definition, therefore, include the long-term relationships, customer knowledge, and the profitable customer; a customer-centred-focus and strategy.

Details of these attributes are further presented in the following sections.

Long-term relations

Establishing long-term relationships with customers is the fundamental purpose of CRM implementation. This notion is closely related to an awareness of the positive correlation between customer retention and a company’s profitability (Reichheld et al., 2000)

Customer information

Customer information plays a key role in CRM (Croteau and Li, 2003). To deliver superior customer services, companies are required to comprehensively learn and understand their markets and target customers (Woodruff, 1997). Therefore, constructing a comprehensive customer information profile or database is the foundation for any CRM implementations (Winer, 2001).

Profitable customer

It is important to note that each customer does not represent the same value to the firm (Kutner and Cripps, 1997) and, as the 80/20 rule suggests, the majority of company profits are generated from a small proportion of its customers (Sanders, 1987).

It is important to know that not all customers have the same significance for the firm according to recommending Law 80/20, most of companies’ and corporations’ profit is provided by a little ratio of customers. Therefore, it is expensive and impractical to invest resources for establishing relationships with all customers, as it is more cost effective to target high value customers (Lockard, 1998)
Customer-centred focus
In the CRM context, a customer-centred culture is closely related to the success of maintaining long-term relationships with customers (Rigby et al., 2002, Wilson et al., 2002). A customer-centred focus is perceived to be a source of competitive advantage for companies (Slywotzky and Wise, 2003), and has a positive influence on business performance (Deshpande, Farley and Webster, 1993).

Strategy
In the CRM context, a customer-centred culture is closely related to the success of maintaining long-term relationships with customers (Rigby et al., 2002, Wilson et al., 2002). A customer-centred focus is perceived to be a source of competitive advantage for companies (Slywotzky and Wise, 2003), and has a positive influence on business performance (Deshpande, Farley and Webster, 1993).

Hypotheses
Furthermore, we are going to explain the research hypotheses. For this research, three important hypotheses are presented for the experiment. Each one of these hypotheses consists of three, three and two sub-hypothesis, respectively. Relations between these variables are shown in Figure 1.

Hypothesis 1 – Organizational Factors
CRM is an organizational-wide project and research indicates organizational factors are closely related to a company’s performance in CRM. In particular, factors such as degree of integration (Chen and Popvich, 2003), executive commitment (Rigby and Ledingham, 2004), system readiness (Kotorov, 2003) and resource availability (Compton, 2005) can all have critical impact on CRM success. Therefore, we hypothesize the following:
H1O: CRM implementation is not affected by the degree of organizational support.
H1A: CRM implementation is affected by the degree of organizational support.

Fig. 1. Research Model - CRM Implementation
Source: C.Y.Lin(2007), An Examination of Implementing Customer Relationship Management

Hypothesis 1 – Organizational Factors
CRM implementation
Organizational Factors
- Organizational Integration H1a
- Executive Commitment H1b
- System Readiness H1c

Strategic Factors
- Vision H2a
- Planning H2b
- Customer-centred culture H2c

Cultural Factors
- Networking H3a
- Human Interaction H3b

Further research is needed to determine the impact of these factors on the success of CRM implementation.
To examine the significance of each organizational issue to CRM implementation, Hypothesis 1 was divided into three sub-hypotheses. Details of these hypotheses are as follows.

**Sub-Hypothesis 1a – Organizational Integration**

CRM is a company-wide project, focusing on the facilitation of better customer information and aimed at improving customer service so as to establish a long-term relationship (Nancarrow et al., 2003, Stefanou et al., 2003). In order to establish comprehensive customer knowledge and deliver satisfying service effectively and efficiently, departments need to communicate and cooperate closely (Alonso, 2002, Nancarrow et al., 2003). Therefore, an integrated company structure that assists cooperation among departments is essential for CRM success. Thus, we hypothesize the following:

H1aO: CRM implementation is not affected by the company’s degree of organizational integration.

H1aA: CRM implementation is affected by the company’s degree of organizational integration.

**Sub-Hypothesis 1b – Executive Commitment**

Management commitment is commonly considered to be one of key factors of project success. Senior management involvement endorses the project, recruits support of other key players (Rigby and Ledingham, 2004), motivates employees’ participation (Dibb and Meadows, 2004, Woodcock and Starkey, 2001) and also ensures the accessibility of the necessary resources (Kotorov, 2003, Rigby and Ledingham, 2004, Wall et al., 2004). Therefore, we hypothesize the following:

H1bO: CRM implementation is not affected by senior executives’ commitment towards the project.

H1bA: CRM implementation is affected by senior executives’ commitment towards the project.

**Sub-Hypothesis 1c – System Readiness**

Having an appropriate organizational structure and processes to support CRM implementation is also important (Alonso, 2002, Kotorov, 2003). In particular, a company needs to have a proper performance measurement and reward system to motivate employees to commit to the CRM project (Crosby and Johnson, 2001, Rigby and Ledingham, 2004). Therefore, we hypothesize the following:

H1cO: CRM implementation is not affected by the degree of system readiness.

H1cA: CRM implementation is affected by the degree of system readiness.

**Hypothesis 2 – Strategic Factors**

CRM is a business strategy based on a customer-centred philosophy. Research indicates strategic issues such as clear vision; comprehensive planning and customer centred culture can have significant impacts on CRM success. Therefore, we hypothesize the following:

H2O: CRM implementation is not affected by the degree of strategic support.

H2A: CRM implementation is affected by the degree of strategic support.

To examine the significance of each strategic issue to CRM implementation, Hypothesis 2 was divided into three separate secondary hypotheses. Details of these hypotheses follow.

**Sub-Hypothesis 2a – Vision**

CRM is a business strategy that enables organizations to effectively manage relationships with targeted customers (Chen and Popvich, 2003, Kotorov, 2003).
CRM can be relevant in all stages of the customer relationship cycle and it is important to ensure that it is applied to an area that will increase the organization’s competitiveness (Rigby and Ledingham, 2004). Thus, it is vital for the organization to integrate CRM into its activities in order to develop pragmatic objectives and strategies. Therefore, we hypothesize the following:

H2aO: CRM implementation is not affected by company’s vision toward the project.
H2aA: CRM implementation is affected by company’s vision toward the project.

Sub-Hypothesis 2b – Planning
Implementing a CRM project requires substantial time and resources (Rigby and Ledingham, 2004). A carefully developed project management plan provides the organization with clear execution and guidance throughout the whole project and ensures the organization remains strategically focused at all stages (Kotter, 1995). Furthermore, the project budgeting plan ensures the availability of the relevant resources when required (Brendler and Loyle, 2001). Therefore, we hypothesize the following:

H2bO: CRM implementation is not affected by company’s planning for the project.
H2bA: CRM implementation is affected by company’s planning for the project.

Sub Hypothesis 2c – Customer-centred Culture
Customer service is a fundamental component of the CRM concept (Plakoyiannaki and Tzokas, 2002). To exploit the benefits of CRM fully, the establishment of a customer-centred culture in the organization is crucial (Lau, Wong, Ma and Liu, 2003). In addition, business processes that support this “customer first” culture are also necessary (Alonso, 2002). Therefore, we hypothesize the following:

H2cO: CRM implementation is not affected by company’s customer-centred culture.
H2cA: CRM implementation is affected by company’s customer-centred culture.

Hypothesis 3 – Cultural Factors
CRM is generally concerned with the effective management of long-term customer relationships in order to increase profit for the organisation. Research has emphasized the impact of culture on the relationship building process. In particular, networking and human interaction appear to be the most significant cultural factors. Therefore, we hypothesize the following:

H3O: CRM implementation is not affected by the cultural factors.
H3A: CRM implementation is affected by the cultural factors.

To examine the significance of each cultural issue to CRM implementation, Hypothesis 3 was divided into two separate sub-hypotheses. Details of these hypotheses are as follows:

Sub-Hypothesis 3a – Networking
Networking is a one of the key factors in establishing buyer and seller relationships (Gilbert and Tsao, 2000). In the Chinese cultural context, its influence may be even more significant. Perceived as “Guanxi”, it affects every aspect of people’s lives (Lee and Dawes, 2005). Guanxi plays an important role in reducing uncertainty (Hsieh and Liu, 1992) and creating trust (Kao, 1991) between two parties which, in turn, help to establish a relationship. Therefore, we hypothesize the following:

H3aO: CRM implementation is not affected by the company’s attitude towards networking.
H3aA: CRM implementation is affected by the company’s attitude towards networking.
Sub-Hypothesis 3b – Human Interaction

Human interaction is also an important aspect of the relationship building process (Drucker, 1981, Unger, 1984). The existence of personal interaction in the process helps to reduce risk and create trust between both parties (Drucker, 1981, Unger, 1984). The dependency on human interaction in forming relationships is even greater in the Chinese cultural context (Hsieh and Liu, 1992). Therefore, we hypothesize the following:

H3bO: CRM implementation is not affected by the company’s attitude towards human interaction.

H3bA: CRM implementation is affected by the company’s attitude towards human interaction.

Methodology

Measurement

In this research, three important hypotheses are supposed and a quantity method is used and in order to gather information, questionnaires are distributed between subject-related persons. Also, multiple measurements consist of “Likert” scale and open questions are used in this research. Independent variables, namely, Organizational Factors, Strategic Factors, Cultural Factors and dependent variable are CRM implementation.

CRM Evaluation:

In this study, CRM variable is being evaluated by five upon indicators, gathered information of respondents are as follows:

Table 1. CRM evaluation

<table>
<thead>
<tr>
<th>Question</th>
<th>SA</th>
<th>A</th>
<th>NAD</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>In our firm, creating a long-term relation with customer is one of CRM</td>
<td>21</td>
<td>22</td>
<td>4</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>goals.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our firm has comprehensive databases for customer information, and</td>
<td>17</td>
<td>16</td>
<td>9</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>this data is base of CRM implementation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In our firm, resources are designated in way that benefits of main</td>
<td>17</td>
<td>20</td>
<td>6</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>customers are provided.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In our firm, customer-orientation has become a culture.</td>
<td>12</td>
<td>16</td>
<td>11</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Our firm has a clear and vivid guideline in the field of CRM.</td>
<td>14</td>
<td>17</td>
<td>10</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

Note: Strongly Disagree: SD, Disagree: D, Neither agree nor disagree: NAD, Agreed: A, Strongly agreed: SA

Source: Result of questionnaire

Research Design

Quantitative analysis was used in this research, with data collected by a self-administered mailed survey. Multiple measurements including rating scales, Likert scales and open-ended questions were employed in the questionnaire. A pilot test was conducted to identify and eliminate potential problems (Malhotra, Hall, Shaw and Oppenheim, 2002). Systematic sampling was employed to select participants from employees of Persian technology firm. To increase the response rate, a follow-up questionnaire was sent out two weeks later. In the following, details of the research design are illustrated.
The Sample

Noted research has been done in “Fanavaran Persian company” which established in 1379, Tehran. This company is active in engineering and technical filed.

At the beginning, the company had 50 personnel and now it has more than 200 personnel. The structure is in two forms regarding both official and financial affairs, the company has deputies of official-financial, planning and commercial, and executive topics, it acts mostly in the form of matrix and depending on the project in the hand, the teams are formed and after executing the project, the teams are dissolved and this procedure continues. Since this is a case study, it is special because from among the population of 200 personnel in the company there have been 70 chosen persons who are license and above. The researcher got 52 answers from 70 distributed questionnaires (%75). Taking into account the fact that the respondents are wide-spread representatives of the organization, the received answers have therefore made a reliable analysis.

So, in the researcher’s opinion, the results created satisfactory answers about the research goals.

Analysis and Presentation of Findings

Hypothesis 1 – Organizational Factors

Sub-Hypothesis 1a – Organizational Integration

Organization integration is one of the main factors in implementing CRM. Organization integration level is measured by two indexes: the quantity of shared data and nature of working relations inside the company. The results show that data is transferred regularly. About 86% believe that the data is transferred among employees most of the time.

![Fig. 2. Frequency of information sharing between staff](source: Analysis data.)

In relation with inside organization affairs, the employees mostly have good relations with each other.
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Fig. 3. Close working relationship between staff
Source: Analysis data.

To examine the impact of organizational integration on CRM implementation, hypotheses were constructed as follows:

H1aO: CRM implementation is not affected by the company’s degree of organizational integration.

H1aA: CRM implementation is affected by the company’s degree of organizational integration.

Sub-Hypothesis 1b – Executive Commitment

Leadership has also been perceived as one of the influential factors that predicts the success of CRM implementation (Brendler and Loyle, 2001, Rigby and Ledingham, 2004, Starkey and Woodcock, 2002, Woodcock and Starkey, 2001). Executive commitment is measured by two indicators: the degree of management involvement in implementing CRM and the extent to which management endorses CRM. The results show that the most of the times, management of the company discusses about how to interact with the customers.

Fig. 4. Management champion of CRM concept to company employee
Source: Analysis data.

To examine the impact of executive commitment on CRM implementation, the hypotheses were constructed as follows:
H1bO: CRM implementation is not affected by senior executives’ commitment towards the project.

H1bA: CRM implementation is affected by senior executives’ commitment towards the project.

Sub-Hypothesis 1c – System Readiness

Having an appropriate organizational structure to maintain project execution is also an important issue in CRM implementation (Rigby and Ledingham, 2004). The degree of system readiness can be determined by two factors: the existence of a clearly defined job description and the use of an appropriate reward system. Information collected from respondents indicates that the majority of companies have clear instructions on how to deal with customers (Figure 5)

![Graph showing existence of instructions on dealing with customers.](source: Analysis data.)

Fig. 5. Existence of instructions on dealing with customer

Existing suitable encouraging system, the answers show that most of the employees are encouraged for their good work in customer service department.

![Graph showing reward system based on customer service.](source: Analysis data.)

Fig. 6. Reward system based on customer service

To examine the impact of system readiness on CRM implementation, hypotheses were constructed as follows:

H1cO: CRM implementation is not affected by the degree of system readiness.

H1cA: CRM implementation is affected by the degree of system readiness.
Table 2. Regression
Variables Entered/Removed

<table>
<thead>
<tr>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organizational integration</td>
<td>0</td>
<td>Stepwise(Criteria: Probability-of-F-to-enter &lt;=0.05 Probability ve &gt;=100)</td>
</tr>
</tbody>
</table>

Dependent Variable : CRM

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.413</td>
<td>0.171</td>
<td>0.143</td>
<td>24.89</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Organizational integration

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3823.4</td>
<td>1</td>
<td>3823.4</td>
<td>6.17</td>
<td>0.019</td>
</tr>
<tr>
<td>Residual</td>
<td>18589.46</td>
<td>30</td>
<td>619.649</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>22412.87</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), Organizational integration
Dependent Variable: CRM

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>-5.055</td>
<td>4.252</td>
<td>23.313</td>
<td>0.413</td>
</tr>
<tr>
<td>Organizational integration</td>
<td>-0.281</td>
<td>-0.218</td>
<td>-1.233</td>
<td>0.227</td>
</tr>
</tbody>
</table>

Dependent Variable: CRM

Excluded Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Beta In</th>
<th>t</th>
<th>Sig.</th>
<th>Partial Correlation</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Readiness Executive Commitment</td>
<td>-0.281</td>
<td>-1.233</td>
<td>0.227</td>
<td>-0.223</td>
<td>0.524</td>
</tr>
<tr>
<td></td>
<td>-0.218</td>
<td>-1.013</td>
<td>0.319</td>
<td>-0.185</td>
<td>0.598</td>
</tr>
</tbody>
</table>

Predictors in the Model: (Constant), Organizational integration
Dependent Variable: CRM
Source: Analysis data
As it's shown in the above table, between three factors, organizational integration has been 17% effective in implementing CRM but factors of system readiness and executive commitment do not have any effect on implementing CRM.

**Hypothesis 2 – Strategic Factors**

A clear strategy ensures the focus of CRM implementation (Kotter, 1995, Moore, 2005). The strategic factor is made up of three constructs: vision, planning, and customer-centred culture. Hypotheses designed to examine the impact of these three strategic constructs toward CRM implementation are presented in the context of the analysis below.

**Sub-Hypothesis 2a – Vision**

Vision is measured by two indexes: universality and having guideline. All answerers are almost aware of advantages and benefits of having good relation with the customers.

In question 2-14, it’s asked from the answerers that, in case of having good relation with the customers, which improvements we have. According to the following table, the answerers announced their viewpoints:

<table>
<thead>
<tr>
<th>Benefits of having good relationships with customers</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>48</td>
<td>25%</td>
</tr>
<tr>
<td>Keeping customers from going to competitors</td>
<td>46</td>
<td>24%</td>
</tr>
<tr>
<td>Development of produce/service offering</td>
<td>43</td>
<td>22%</td>
</tr>
<tr>
<td>Service process designs</td>
<td>35</td>
<td>18%</td>
</tr>
<tr>
<td>Targeting and marketing</td>
<td>15</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>193</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: Result of questionnaire*

In question 2-15, it’s asked to describe the purpose of improving relation with the customers, which is answered as in below table:

<table>
<thead>
<tr>
<th>Purposes of improving relationships with customers</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>51</td>
<td>21%</td>
</tr>
<tr>
<td>Market share</td>
<td>49</td>
<td>20%</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>44</td>
<td>18%</td>
</tr>
<tr>
<td>Customer buy extra products</td>
<td>43</td>
<td>17%</td>
</tr>
<tr>
<td>Customer recommend us to his/her friends</td>
<td>39</td>
<td>16%</td>
</tr>
<tr>
<td>Customer don’t buy from my competitors</td>
<td>15</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>248</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: Result of questionnaire*

To examination of effect of perspective on CRM implementation, we have a hypothesis as below:

H2aO: CRM implementation is not affected by company’s vision toward the project.

H2aA: CRM implementation is affected by company’s vision toward the project.

**Sub-Hypothesis 2b – Planning**

CRM is a long-term, complex process which requires a large amount of time and resources (Alonso, 2002, Woodcock and Starkey, 2001). Planning structure is measured by two indexes: planning and defining the budget of the project.
In this case, viewpoints of the answerers about defining and implementing the projects of CRM are gathered according to below diagram:

![Fig. 7. Implementing the projects related to CRM](image)

Source: Analysis data.

To examine the impact of planning on CRM implementation, hypotheses were constructed as follows:

H2bO: CRM implementation is not affected by company’s planning for the project.
H2aA: CRM implementation is affected by company’s planning for the project.

**Sub Hypothesis 2c – Customer-centred Culture**

The central philosophy of the CRM concept is the recognition that the customer is the key asset of the company. Therefore, it is critical for the company to have a customer centred culture while implementing CRM (Lau et al., 2003).

As it’s seen below, most of the answerers use gathered data to improve and produce new products and services.

![Fig. 8. Usage of customer information in developing new products/services](image)

Source: Analysis data.

To examine the impact of a customer-centred culture on CRM implementation, hypotheses were constructed as follows:

H2cO: CRM implementation is not affected by company’s customer-centred culture.
H2cA: CRM implementation is affected by company’s customer-centred culture.

Table 5. Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vision</td>
<td>0</td>
<td>Stepwise (Criteria: Probability-of-F-to-enter &lt;= 0.05; Probability ve &gt;= 100).</td>
</tr>
</tbody>
</table>

Dependent Variable: CRM

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.633</td>
<td>0.401</td>
<td>0.382</td>
<td>21.67</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Vision

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>10055.69</td>
<td>1</td>
<td>10055.69</td>
<td>21.411</td>
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<tr>
<td>Residual</td>
<td>15029.04</td>
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<td>469.65</td>
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</table>

Predictors: (Constant), Vision

Dependent Variable: CRM

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
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<td></td>
</tr>
<tr>
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<td>Vision</td>
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<td>-0.633</td>
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Dependent Variable: CRM

Excluded Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Beta In</th>
<th>t</th>
<th>Sig.</th>
<th>Partial Correlation</th>
<th>Collinearity Statistics</th>
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</thead>
<tbody>
<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>Planning Customer-centred Culture</td>
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<td>0.003</td>
<td>0.998</td>
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<td>0.018</td>
<td>0.115</td>
<td>0.910</td>
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</table>
As shown in the table above, from among the three factors, perspective has been effective on implementing CRM at a rate of 40%, but factors of planning and culture of customer orientation are not effective on implementing CRM.

**Hypothesis 3 – Cultural Factors**

**Sub-Hypothesis 3a – Networking**

Most of the respondents believe that having personal relations is important and vital to have long term relations with the customers, as shown in the diagram below:

![Fig. 9. The importance of Guanxi for keeping long-term relationships with customers](image)

Source: Analysis data.

To examine the impact of networking on CRM implementation, hypotheses were constructed as follows:

H3aO: CRM implementation is not affected by the company’s attitude towards networking.

H3aA: CRM implementation is affected by the company’s attitude towards networking

**Sub-Hypothesis 3b – Human Interaction**

The human dimension is an indispensable element in any business (McGarry, 1995).

The impact of human interaction is even greater when the issue of customer service or relationships with customers are involved (Tordoir, 1998). The answers show that most of them agree to have a personal relation with the customer.

![Fig. 10. The importance of establishing relationships with customers in person](image)
To examine the impact of human interaction on CRM implementation, hypotheses were constructed as follows:

H3bO: CRM implementation is not affected by the company’s attitude towards human interaction.

H3bA: CRM implementation is affected by the company’s attitude towards human interaction.

Table 6. Regression
Variables Entered/Removed

<table>
<thead>
<tr>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>human interaction</td>
<td>0</td>
<td>Stepwise(Criteria: Probability-of-F-to-enter &lt;=0.05 Probability ve&gt;=100).</td>
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</table>

Dependent Variable: CRM

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
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<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
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<tbody>
<tr>
<td>1</td>
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<td>0.417</td>
<td>0.398</td>
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Predictors: (Constant), human interaction

ANOVA

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<tr>
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<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>sig.</th>
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</tr>
</tbody>
</table>

Predictors: (Constant), human interaction

Dependent Variable: CRM

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
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</table>

Dependent Variable: CRM

Excluded Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Beta In</th>
<th>t</th>
<th>Sig.</th>
<th>Partial Correlation</th>
<th>Collinearity Statistics</th>
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</thead>
<tbody>
<tr>
<td>Networking</td>
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<td>0.502</td>
<td>0.619</td>
<td>0.091</td>
<td>0.599</td>
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</table>

Predictors in the Model: (Constant), human interaction

Dependent Variable: CRM

Source: Analysis data.
As shown in above table, between two factors, human interactions has been effective in implementing CRM at a rate of 42%, but the factor of networking is not effective in implementing CRM.

Conclusions and Recommendations for Future Research

Conclusions

Brief above statistics and analysis are in below table:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Examination Result</th>
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<tbody>
<tr>
<td>H1A</td>
<td>Organizational</td>
<td>CRM Implementation</td>
<td>Hypothesis zero is rejected</td>
</tr>
<tr>
<td></td>
<td>integration</td>
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<tr>
<td>H1B</td>
<td>Executive commitment</td>
<td>CRM Implementation</td>
<td>Hypothesis zero is accepted</td>
</tr>
<tr>
<td>H1C</td>
<td>System Readiness</td>
<td>CRM Implementation</td>
<td>Hypothesis zero is accepted</td>
</tr>
<tr>
<td>H2A</td>
<td>Vision</td>
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<td>Hypothesis zero is rejected</td>
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<tr>
<td>H2B</td>
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<td>H3A</td>
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<td>CRM Implementation</td>
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</tr>
<tr>
<td>H3B</td>
<td>Human interactions</td>
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</tr>
</tbody>
</table>

Source: Researchers’ Data Result

As it is deducted from the above statistics and numbers, organizational integration components, vision and human interaction are important in the implementation of CRM, and there is no relation between other remaining factors and implementation of CRM.

Recommendations

It is suggested about the above components that the company should make special decisions and execute them in their best form in the company, details are as follows:

A) Organizational integration: according to the relation of noted component with implementing CRM, it is suggested to create the bank of customer comprehensive information, and this point can help the organization to access and maintain the key customers.

B) Vision: The Company defines mission and perspective for itself, but it is necessary to revise these topics and consider subjects such as sale anticipation and representing after sale services more than in the past.

C) Human interaction: it is suggested that the company should design a new system to increase friendly relations with the customers and decrease adverse official relations and criteria.

References


Managementul relațiilor cu clienții: studiu de caz la o firmă de tehnologie persană

Rezumat

În ultimul deceniu, competiția mereu crescândă cu care se confruntă afacerile a condus la dezvoltarea Managementului Relațiilor cu Clienții (CRM). CRM a fost larg promovat drept un factor crucial ce contribuie la supraviețuirea afacerii. Cercetarea de față susține ideea că CRM nu este doar un simplu pachet software sau un program de calculator. Pentru a-i conștientiza potențialul, CRM ar trebui percepit drept o problemă de strategie. În plus, acest studiu susține de asemenea faptul că implementarea CRM este afectată de factori organizaționali, strategici și culturali. Îndeosebi trei factori organizaționali – integrare organizațională, devolament executiv, promptitudinea sistemului –, trei factori strategici – viziune, planificare și cultura centrată pe client – și doi factori culturali – dezvoltarea rețelei și interacțiunea umană – au un impact deosebit asupra implementării CRM într-o companie.