Investigation of CRM in e-business
From a B2C Fashion Companies’ Perspectives

Bachelor’s thesis within informatics
Author: Isdora Dire, Dalida Samano
Tutor: Vivian Vimarlund
Jönköping August 2012
Abstract

Customers are no longer what they used to be in the past, they are now highly educated, more specialized and more highly influenced by global culture than ever before. For businesses to be able to win the heart of customers, they need to do extra because these customers are the pillar that holds organizations. One of the methods to achieve this is called Customer Relationship Management (CRM). The focus of CRM is about managing customer knowledge to better understand and serve them. The purpose of this study is to explore how e-business organizations use CRM in a B2C setting, and we did that from online fashion retail companies’ perspectives. Our study has explored how CRM objectives are described and how CRM is managed. To answer these questions, relevant literature was reviewed which resulted in a conceptual framework that guided the data collection. We carried out a multiple-case study with two fashion retail companies, one located in the UK, and the other in Sweden. Data was collected through telephone interviews with high positioned employees who have experience working with CRM and related subject.

From conducting this research, we came to the understanding that e-business organizations Customer Relationship Management objectives can be classified into three categories: minimizing cost, increasing revenue and strategic impact. The e-business organizations view CRM objectives as a part of their business in order to remain successful. For our second research question on finding out how e-business organizations manage their customers, we concluded that they concentrate in the three areas of: Initiatives, implementation and channel management.
# Table of Contents

1 Introduction ................................................................................. 1  
  1.1 Background ........................................................................... 1  
  1.2 Problem discussion ............................................................... 2  
  1.3 Purpose .................................................................................. 3  
  1.4 Delimitations ........................................................................ 3  
  1.5 Interested Parties .................................................................. 3  
  1.6 Disposition of research ......................................................... 4  

2 Methodology ................................................................................ 5  
  2.1 Research Purpose ................................................................. 5  
  2.2 Research Approach ............................................................... 5  
  2.3 Research Strategy .................................................................. 5  
  2.4 Literature Review .................................................................. 6  
  2.5 Interview ............................................................................... 6  
  2.6 Data Acquisition .................................................................... 7  
  2.7 Population and sample ........................................................... 7  
  2.8 Data Analysis ......................................................................... 8  
  2.9 Credibility of Research .......................................................... 8  

3 Frame of Reference ..................................................................... 10  
  3.1 Customer relationship management ....................................... 10  
    3.1.1 CRM Objectives .............................................................. 11  
  3.2 Management of Customer Relationships ............................. 12  
    3.2.1 Ten ways to improve your CRM ...................................... 12  
    3.2.2 CRM initiatives ............................................................ 14  
    3.2.3 Basic Steps to getting CRM right in an organization ...... 15  
    3.2.4 Internet Customer Contact ........................................... 17  
    3.2.5 Multi-channel customer contact: a necessity ............... 18  
  3.3 Conceptual Framework .......................................................... 18  
    3.3.1 Conceptualization- Objectives in CRM ....................... 19  
    3.3.2 Conceptualization- Management of customer relationship .................................................. 19  

4 Empirical Findings ..................................................................... 21  
  4.1 Case Study-Everything5pounds.com ...................................... 21  
    4.1.1 CRM Objectives at Everything5pounds.com ............... 21  
    4.1.2 How Everything5pounds.com manage their customers ........................................................................ 22  
  4.2 Case Study-Ellos.se ................................................................. 24  
    4.2.1 How can Ellos.se CRM objectives be described? .......... 24  
    4.2.2 How does Ellos.se manage customer relationship? ....... 25  

5 Analysis ....................................................................................... 27  
  5.1 Case Analysis of Everything5pounds.com ............................. 27  
    5.1.1 Objectives of CRM- Everything5pounds.com .............. 27  
    5.1.2 Management of Customer Relationship- everything5pound.com .............................................................. 29  
  5.2 Single Case Analysis of Ellos.se .............................................. 30  
    5.2.1 Objectives of CRM- Ellos.se .......................................... 30
5.2.2 Management of Customer Relationship-Ellos.se .......... 32
5.3 Cross Case Analysis .......................................................... 34
5.3.1 Analyzing CRM Objectives of the two Companies ....... 34
5.3.2 Cross Case Analysis- Management of Customer Relationship .................................................. 35

6 Findings and Conclusions ...................................................... 38
6.1 Discussions ....................................................................... 39
6.2 Suggestions for Future Research ....................................... 40

List of references .................................................................... 41
Figures
Figure 1.1 Disposition of the research................................................................. 4
Figure 3.1.................................................................................................................. 20

Tables
Table 5.1: Within case analysis of Everything5pounds.com CRM objectives28
Table 5.2: Within case analysis of Everything5pounds.com CRM management ................................................................. 30
Table 5.3: Within case analysis of Ellos.se CRM objectives ......................... 32
Table 5.4: Within case analysis of Ellos.se CRM management ..................... 33
Table 5.5: Cross case analysis of CRM Objectives of two companies ........... 35
Table 5.6: Cross case analysis of Management of Customer Relationship of both companies. ................................................................. 36

Appendix
Appendix 1 .................................................................................................................. 44
1 Introduction

This chapter starts with the research background in order to give the reader an insight into the research area. This is then followed by the problem discussion and the overall purpose of the study. We have specifically defined the overall purpose by outlining two research questions. Lastly, the delimitations and disposition of our study are presented.

1.1 Background

The idea behind Customer Relationship Management is not new; even the first merchants knew it was a good idea to establish relationships with customers to keep them coming back (Jobber, 2004). While maintaining customer loyalty has been a sales principle for a very long time now, CRM is actually a great way of creating a system that can offer a means for retaining individual loyalty in a world of nearly 6 billion souls (Croteau & Li, 2001). According to Greenberg (2001), for us to understand CRM, we must also understand the changing nature of customers because customers are no longer what they used to be.

Nowadays, customers are more highly educated, more specialized, under higher stress, living longer, and more highly influenced by global culture than those of the 60s and 70s when our view of marketing was formed (Wilson, Daniel, & McDonald, 2002). Customers are now more than ever demanding a different relationship with their suppliers, and managing a close relationship with customers has become a central aspect in delivering the business goals (Xu, Yen et al., 2002). Furthermore, the advent of e-business, organizational dynamics, and cultural change issues has drastically shifted organizations’ functional units to concentrate on the customers. Consequently, organizations have seen the need to being customer-centric, instead of solely being product-centric (Romano, 2003). According to Jukic et al. (2003), organizations are starting to learn more about their customers and their individual preferences, needs and expectations. Schultz (2000) supports these findings by saying that the practice of planning, creating and managing customer relationships has become the center of organizational strategy, and it is the key to customer retention.

According to Fayerman (2002), the buzz towards CRM has only been pervasive within business, technology, media and academic communities since early 1997. According to Wang and Head (2006), the factors that can contribute towards customers’ intention to build a stronger relationship with an online retailer are still not well known. The researchers believe that most studies for online consumer behavior are related to customer acquisition, and there is very little to no research on the topic of customer retention. According to research, one of the reasons for the failure of many dot com companies is the lack of customer retention. Due to the lack of research in the area of customer retention, according to Phelps (2001), many organizations are losing a prominent ration of their customers each year, and even do not know the reason why their customers are leaving. Wilson et al. (2002) stated that the most influential study by Reichheld and Sasser (1990), which showed the great impact on profitability of small increases in customer retention rates, was the start, making the marketing community more aware of the need to manage customer relationships in the long-term as well as prior to the first sale.

According to Croteau and Li (2001), the advent of the World Wide Web has created new opportunities for customer relationship building. Now, search engines have made it much easier for customers to find online merchants and even be able to interact with them. The internet have equally simplified bi-directional channel of communication, for the very first time offering customers the easiest way to pass across personal information to the merchant, unlike before when the customers had to wait to be mailed a form
to open an account or place an order by phone. Then, a potential customer needed only to send an application through cyberspace, thereby resulting in shorter delivery time, improved accuracy, and most often, a higher positive perception (Strauss & Hill, 2001). Bradshaw and Brash, (2001) concluded by saying, the internet is an environment of zero latency, providing real-time, and most often, on-demand product delivery.

1.2 Problem discussion

With the advent of the World Wide Web, businesses are starting to shift focus from the traditional method of conducting business, to the online method. As Bradshaw and Brash (2001) pointed out, it is only a few organizations that can afford to ignore the Internet. As this trend is actually becoming the norm, organizations need to integrate the Internet with the traditional front-office functions of sales, service, and marketing in order to be able to offer a good customer experience in the e-business world (Bradshaw & Brash, 2001). E-businesses today have reached a point where they are trying to move beyond a cursory view of their customers to engaging in rich customer relationships (Ragins & Greco, 2003). CRM drives relationships and purchases (both online and offline) and drives brand loyalty by fostering trust.

Emerging technologies are starting to provide organizations the possibility to improve their capability in attracting and retaining customers, collecting more information through an online medium than through any other media, and to practice CRM (Fayerman, 2002). According to Xu & Yen et al. (2002), the focus of most CRM systems is to aid in the understanding of customers. Nowadays, there is a growing increase in the number of CRM consultants, as well as articles praising the benefits of having CRM in an organization. In this situation, a manager can easily rush into implementing a CRM system without having thought out the reasons of having a CRM program or how it can be used to attract and maintain customers (Stone, et al., 2000). An objective of having a CRM initiative in an organization is for the organization to shift from product-centric to customer-centric, because customers are no longer what they used to be in the past. Customers are now highly influenced by global culture and are more educated, so organizations conducting their business practices on the Internet need to re-orient their strategies towards customers (Wilson, Daniel, & McDonald, 2002). Customers’ are assets that need to be managed, and the organizations that are successful in treating their customers as assets will be at a competitive edge in this dynamic competitive environment (Ragins & Greco, 2003).

From reviewing previous literature about CRM, we found out there has been little to no research in the area of customer relationship management in e-businesses. This is a big problem because, as we feel that e-business organizations should be more focused on utilizing CRM as their customers are people who they do not meet face-to-face, unlike their traditional business counterparts. Some of these e-business organizations have adopted CRM in their organization, but will not have an understanding of what it is CRM can do for them in the organization. This report will help cover that gap as it will provide organizations with the known CRM objectives and how CRM can be used to manage relationships with customers.

In this 21st century, customer satisfaction is really important if an organization still wants to remain in business, it is what customers expect. The Internet and the supply chain have further complicated the issue, because it is now possible for different organizations to offer the same exact products. Thereby making the competition higher, and customers becoming less loyal while expecting more when it comes to services. The
World Wide Web has evolved into a medium with various generic relationship-building attributes. The higher the quality of the information a company can capture about its customers, and the more complete the information is, the better the company will be able to use decision analysis to predict customer behavior (Bradshaw & Brash, 2001). Online CRM can enhance the value of the relationship for both customers and the e-business. Customers can receive more products and communications that are better suited to their needs and lifestyles, and the e-business can benefit from a group of high-value repeat customers (Ragins & Greco, 2003). Intimate customer relationships offer the marketer several advantages. First, the relationship can create a committed customer. More than simply a repeat purchaser, the committed customer has an emotional attachment to the seller. Committed customers can be viewed as company assets who are likely to be a source of favorable word-of-mouth referrals and are more resistant to competitor’s offers. Secondly, CRM relationships provide a point of leverage to realize economies of scope. Committed customers are often more receptive to line extensions. Leveraging the customer base can facilitate cross-selling complementary products as well as “selling up” to higher quality substitutes (Ragins & Greco, 2003).

Due to the recent shift towards conducting business practices online and CRM, we find it interesting to explore on why e-business organizations who have adopted CRM did so, and how they manage their customers using CRM.

1.3 Purpose

Based on the problem discussions presented above, the purpose of this study is to explore how B2C e-business organizations use CRM, from a fashion companies’ perspectives. To fulfill this purpose, the following research questions emerged:

1. How can e-business organizations’ CRM objectives be described?
2. How do e-business organizations manage their customer relationship?

1.4 Delimitations

When it comes to Customer Relationship Management, there are many dimensions within this research area. Due to time limitations, we have decided to delimit our study to only focus on some aspects of the topic. Hence, the overall picture of customer relationship management will not be provided in our research. So in order to meet up with the time to deliver our research, we have decided to limit our research to view the stated research questions in the purpose of the research. Additionally, our thesis will be based on a fashion company’s perspective, and we will not pay any attention to the customer perspective. We have also decided to limit our research to the organization’s B2C relationships, and therefore, no B2B interaction will be included in the study.

1.5 Interested Parties

Although this research has targeted few B2C online fashion chains for its empirical study, it can equally be of great benefit to all e-business fashion chains in Sweden, who are seeking more market shares and competitive advantage through establishing effective customer relationship management. Generally, the result of this research will be of great benefit to all e-business organizations because, from the research the authors have conducted, there is little to no research in this area of study. The result of the research might also come in handy for the traditional businesses, because customers are the center of today’s organizations. Having loyal and committed customers and not just a re-
peat customer is what organizations are seeking for today. And it is said that it cost more gaining a new customer than it costs keeping an already existing customer. In addition, this research may be useful for consumers who are the reasons behind every start up business today, the result will help consumers make a choice on which organization they will be compensating by purchasing goods from them regularly. Finally, the study could be of interest to the scientific community as a basis for future research.

1.6 Disposition of research

The study is divided into seven chapters. Figure 1.1 below summarizes what the contents that are discussed in each chapter.

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>This part of the thesis includes the background, problem description, and purpose. It will give the reader a great overview and understanding of what the rest of this thesis is about.</td>
</tr>
<tr>
<td>Method</td>
<td>The method section describes the research design and the data collection for this research. A descriptive part about our choices on how to conduct the thesis.</td>
</tr>
<tr>
<td>Frame of reference</td>
<td>In this chapter the readers will be provided with the theoretical body of the research.</td>
</tr>
<tr>
<td>Empirical Findings</td>
<td>Here we present the primary data we have collected through interviews and other sources.</td>
</tr>
<tr>
<td>Analysis</td>
<td>In the analysis we interpret the data we have collected from all different sources.</td>
</tr>
<tr>
<td>Conclusion</td>
<td>We present and conclude our findings.</td>
</tr>
<tr>
<td>Discussion</td>
<td>This part focus on our reflection of our findings, giving advice and stating our opinion for future improvement of this research</td>
</tr>
</tbody>
</table>

Figure 1.1 Disposition of the research.
2 Methodology

In this chapter we state the methodological framework used for this research. We provide an explanation about the method we used, that is qualitative or quantitative method stating the reason for selection of particular method in this area of study. We also briefly explain how the data is collected and the method of analyses of collected data, concluding with a discussion on validity and reliability.

2.1 Research Purpose

Research purposes can be of three different kinds: explanatory, exploratory or descriptive. Descriptive research has the objective to portray an accurate profile of a person, event or situation (Robson, 2002). Explanatory research has the objective to find causal relationships between variables (Saunders et al., 2007). Exploratory research aims at finding out what is happening in a certain scenario.

The authors conducted an exploratory research because the intention is to find out what is happening within customer relationship management in e-business. Referring to (Robson, 2002, p. 59, as cited in Saunder et al., 2009) an exploratory study is to find out "what is happening; to seek new insights; to ask questions and to assess phenomena in a new light". Saunders et al. (2009) state that there are three ways to conduct an exploratory research; searching literature, interviewing experts, and the use of focus group interviews. The authors used literature search and interviewing experts in the study. The authors decided not to do focus groups interviews due to time limitations and the lack of benefits it would give to the study.

2.2 Research Approach

The authors decided to use a qualitative method in the research. Qualitative research is concerned with all non-numeric data or data that has not been quantified and can be part of all different research strategies (Saunders et al., 2009). Researchers using an inductive approach are more likely to use a qualitative data and a variety of methods to collect data in order to establish different views of a phenomenon (Easterby-Smith et al., 2008 as cited in Saunders et al., 2009).

The authors noted that using a qualitative method would be beneficial for the study, since the qualitative method is more suiting with the great amount of text-based data collected. (Silverman, 2006 as cited in Saunders et al., 2009) confirms this and state that quantitative method is used in research that is handling larger samples than qualitative methods.

2.3 Research Strategy

Different research strategies exist for different types of research. The choice of research strategy depends on a number of conditions including research objectives, questions, existing theories, and knowledge among other things. According to Yin (1994), there are five types of research strategies pertaining to social research. These are experiments, surveys, archival research, case studies, and historical reviews. The research strategy used for a study is dependent upon three conditions; the type of research question, extent of control over behavioral events and general circumstances of the phenomenon to be studied Yin (1994). Our research purpose is to explore the area of CRM in e-business. For this reason, we do not want to gain control over behavioral events. This means we do not require experiment as our research strategy. Our research questions are intended to answer questions as to how organizations describe their CRM objectives,
and how e-business organizations manage their customer relationship. This eliminates the option of historical strategy as part of our research strategy. As Yin, (1994) pointed out, surveys and archival records are useful when the research goal is to describe the incident or prevalence of a phenomenon or when to predict certain outcomes. We are not trying to accomplish this in our study. Therefore, those two options are ruled out. This then leaves us with only one research strategy, which is case study. A case study is a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence. A case study has the ability to generate answers to what, why, and how questions and are therefore mostly used in explanatory and exploratory research (Saunders et al., 2009). There are four different case study strategies; single case versus multiple case, holistic case versus embedded case. When conducting a within case analysis, collected data will be compared with previous theory in order to seek out differences and similarities. When conducting a cross case analysis, the sole aim is to be able to compare the single cases with each other to increase generalization. In a cross case analysis, it is possible to observe if the collected data in the separate cases are diverse, typical, effective, ineffective etc (Wiedersheim-Paul et al., 1999 as cited in Johansson et al., 2005)

The case study approach was most suitable for this study because the research object studied is a real life example. For our study, we have employed both within case analysis and cross case analysis. We have analyzed each case separately and compared it with previous theories. Secondly, we have compared the two single cases with each other in a cross case analysis. As Miles and Huberman (1994) stated, systematically structuring the collected data in logical matrices has excellent consequences for understanding, for that reason, we have used matrices in the form of tables to present the collected data for a better understanding for the reader.

2.4 Literature Review

For this study, literature reviews were performed in order to collect secondary data, as it provides theories and methods to rely upon. The literature review was made in order to present previous research findings to compare with the authors’ research findings. For the literature review, secondary and tertiary sources were consulted in order to gather our empirical data.

To carry out this literature review, the authors used:

- Journals
- Newspaper articles
- Books

JULIA (Jonkoping’s Library service), Google Scholar, ProQuest, Business Source Complete and EBSCO were the primary databases used to find these articles.

2.5 Interview

Saunders et al. (2009) categorizes three types of interviews; structured, semi-structured and unstructured. A structured interview is a questionnaire with a set of questions usually containing standardized options for answers (Saunders et al., 2009). An unstructured interview would on the other hand be an interview trying to explore a field of interest in depth. We conducted semi-structured interviews by telephone; one-to-one with a single person per company. We interviewed respondents from two fashion retail companies, Everything5pounds.com located in the UK, and Ellos.se located in Sweden. The res-
A semi-structured interview is carried out by the interviewer who will have prepared a set of questions and topics to be covered throughout the discussion, but the order and phrasing of questions may vary from interview to interview (Saunders et al., 2009). Our interview questions remained the same under all of the interviews in order to ensure reliability and validity. The questions used for our study was adapted from the works of Johansson and Sparredal (2005). The questions helped form the basis for comparison of the findings. The questions were thoughtfully reformulated to reflect the current research questions under investigation. The questions can be found in the interview guide in appendix 1. During the interviews, some spontaneous questions were added, to further look into a certain subject. The order of the interview questions asked differed between interviews, due to the flow of the interview and what was being covered at that moment. The questions of the interviews were open-ended and probing and also allowed the respondents to speak freely about the subjects investigated. We found the telephone interviews to be most suitable because of geographical distance between the respondents and the interviewers. Prior to the interview, the respondents were briefed on the overall purpose and nature of the study in order to prepare, and these enabled us to receive detailed answers within a limited time (1 hour 30 minutes).

2.6 Data Acquisition

There are a number of ways to collect data when performing a research. According to Saunders et al., (2009), there are two types of data that can be collected; primary and secondary data. Primary data is defined as “data collected specifically for the research project being undertaken” Saunders et al. (2009, p. 598). That is to say, data is collected for a research in response to a problem. Primary data increases the level of detail from the data you collect, but it usually takes longer to gather primary data. On the other hand, secondary data is defined as “data used for research project which was originally collected for some other purpose” (Saunders et al., 2009, p. 600). Secondary data is easier to find than primary data, which makes secondary data studies more time efficient.

In our study, we adopted both primary and secondary data collection methods. We conducted a telephone interview which was used to gather primary data, which provided us insights to the cases of our study. Secondary data, such as company background gathered from the organizations websites, complimented the telephone interviews. Also for this study, secondary data was collected and used for the background information on customer relationship management and the overview of the organizations interviewed. The secondary data sources utilized in this study have been previous theses, academic articles, academic journals, books and newspaper articles which are relevant to the research topic.

2.7 Population and sample

In order to fulfill our research purpose, the authors set out some criteria when selecting the organizations we interviewed. Firstly, the selected organization had to be involved in the e-business, primarily focusing on B2C. Secondly, the selected organization had to be in the same line of business, in our case, fashion retailing in order to make comparison possible. Finally, the selected organization had to be operating beyond border, reason being that the organization operating internationally will most likely have many options when it comes to customer relationships. To find the appropriate organizations that would match our requirements, we reviewed articles in sales magazine and also the au-
authors own contacts. Our selected organizations were based on the positive feedback we received from them, as we contacted many fashion chains, but only few were willing to participate in the interview, and moreover, the companies we interviewed met the criteria we set, than the others. Selecting the right respondent for our study is important as it will validate or invalidate our findings. For this reason, we limited our respondents to two individuals who have extensive knowledge and experience of working with CRM within the organization.

The industry chosen for conducting this research is the fashion industry. According to Macintosh and Lockshin (1997), this industry has a high level of contact between suppliers and consumers and therefore relational benefits can be achieved. Also, fashion companies can gain customer loyalty by offering consumers benefits through the close relationships. According to Saviolo and Testa (2002), the fashion industry is a highly discussed issue today. As there exist many brands with different styles, the fashion industry would be a highly competitive one, leading to the rise of awareness among the consumers. So it is important we explore how these fashion retail chains use CRM to manage their customer relationship in order to stay competitive in the market.

2.8 Data Analysis

According to Yin (1994), an analytical strategy should be used in a case study to help the research in the process of selecting techniques and in the conclusion of the analysis. For our study, we have used a general analytical strategy which relies heavily on previous theories and studies. The data collection, data analysis and the comparison of data will rely on those studies and theories together with the research questions Yin (1994).

The analysis of the collected data in this study will equally follow Miles and Huberman’s (1994) three flows of activities which are described below:

1. Data reduction: The process of selecting, simplifying, focusing, transforming and abstracting the data. The collected data will be organized so that the conclusions can be drawn and verified.

2. Data display: Taking the reduced data and displaying it in an organized and compressed manner, this makes it easier for conclusions to be drawn.

3. Conclusion drawing and verification: The study will decide what things mean, note regularities, configurations, patterns and explanations.

The theories we have presented in the conceptual framework therefore works as a basis for analysis and are analyzed with the empirical data collected in our study.

2.9 Credibility of Research

The credibility of any research paper is of utmost importance. There is no way of eliminating every possibility that one is wrong. But one can minimize that risk by emphasizing on reliability and validity (Saunders et al., 2009). According to Saunders et al. (2009), reliability is defined as the extent to which data collection technique or techniques will yield consistent findings. This means that same or similar results can be obtained by another researcher, using the same methods. To ensure maximum reliability, the questions were structured and formulated to ensure clarity. The respondents were made aware of our research area well in advance, so as to be prepared, and we made every effort to collect the responses on the spot. These were done so as to avoid changes in respondents’ thoughts with time. Semi-structured (telephone) interviews was conducted so as to avoid interviewees from deviating in their responses. Saunders et al.
(2009) defined validity as the extent to which data collection method or methods accurately measure what they were intended to measure. The mere fact that the questions for this thesis were formulated following the research question and frame of reference is enough evident to prove the validity of the paper, as what is being measured is known. The interview questions also were designed based on the research questions and frame of reference with each question specifically addressing certain aspects of the research goals.
3 Frame of Reference

In this chapter the readers will be provided with the theoretical body of the research. The purpose of this chapter is thus to clarify some specific terms and concepts which will be used later in the study.

3.1 Customer relationship management

The strong rivalry and combined pressures of increasing customer sophistication, more complex and dynamic, as well as rapid technological innovations are making more organizations realize they must acquire, understand and manage customers’ needs in order to stay ahead in competition (Wei, 2003). Companies expect to improve profitability by gaining customer loyalty, customizing offerings, and lowering costs by implementing CRM solutions (Deans, 2004). The winners are those who offer the greatest value to their customers, retain their quality customer base and grow it through the building of efficient relationship with their customers (Computimes Malaysia, 1999). Organizations tend to move away from the transaction-based, quick-sell sales approach to one that focused on genuine relationship-building (Jamieson, 1994). Customer relationship management as defined by Fayerman (2002) is a customer-focused business strategy that aims to increase customer satisfaction and customer loyalty by offering a more responsive and customized services to each customer. As Buttle (2003) stated, CRM stands for different things for different people and in different situations. Some refer to CRM as customer relationship management; others refer to it as customer relationship marketing. Buttle (2003) pointed out that in whichever form we decide to use the term, CRM is clearly a business practice focused on customers. CRM is literally concerned with establishing customer relationships. The relationships can emerge in different shapes such as business-to-business relationships, customer lifecycles, different customer segments, customer life time value and customer profitability (Rollins & Halinen, 2005). CRM is anticipated to turn an organization from being directed by managerial decisions with little regard to customer needs to being directed by decision-based on customer activities and behavioral information (CRMGURU, 2002). Companies learn to develop better communication with customers for branding and understanding customers' latent needs (Winer, 2001). From the recent view of CRM, organizations seeking sustainable development in today's high-competitive business environment needs to change their business strategies from product-centric organization to customer-centric organization. As Muther (2002) advised, organizations should not only look at the quality and price differentiation, but also identify their customers' needs and offer innovative market services to be ahead of their competitors. This argument is further supported by Park and Kim (2003), who believe that organizations, whose main focus is on obtaining and retaining more customer share than market share, will do better in cost reduction. As Dyche (2001) stated, it costs an organization six times more to sell a product to a new customer than it does to sell it to an existing one. In essence, attracting a new customer is harder than maintaining an already existing one. This shift toward customer-centric has been described by Romano and Fjermestad (2003) as a shift from “transaction-based economy” to a “relationship-based economy” meaning a movement from economies of scale to “economies of interactions” or “economies of relations” which are the main drivers for customer-centric economy.

The key to establishing customer relationships is to identify customer satisfaction. According to Winer's model (Deans, 2004) customer loyalty, customization, community building, and unique services with branding contribute to high customer satisfaction and retention. Delivering a higher level of customer satisfaction that exceeds customer ex-
pectation will increase profitability, which is a key objective of the relationship management strategy (Deans, 2004).

Finally, after an analysis of many definitions of CRM, the authors of this thesis decided to employ Bose & Sugamaran’s (2003, p.4) definition of CRM in their study. The reason for this is that it has a multi-faceted view of what CRM is, and makes no mention of any particular means of communication or channel, be it new or old. “CRM is about managing customer knowledge to better understand and serve them. It is an umbrella concept that places the customer at the center of an organization. Customer service is an important component of CRM, however CRM is also concerned with coordinating customer relations across functions, points of interaction, and audiences”.

### 3.1.1 CRM Objectives

An on-going relationship with customers will help in providing a sense of security, trust and feeling of control (Grönroos, 2004). Through studies, Ryals and Knox (2001) have concluded that the major reasons organization managers are implementing CRM is, that services that an organization provides to their customers have an impact on the customer's perspective of an organization. The CRM objectives for service applications according to Ryals and Knox (2001) include:

1. Reduce cost and increase profitability: a Profit center should be created out of a service organization to generate more revenues, at the same time using operational and customer information to reduce cost.
2. Using service improves service delivery: Organizations need to create an efficient and effective service business using integrated enterprise-wide information available in other front office and ERP applications.
3. Service aids in product differentiation: Organizations should distinguish business by offering service as a unique advantage by making use of multiple channel communications with customers, and full enterprise wide view of customer information.
4. Service delights customers: Organizations should offer enhanced customer care, service and customer information management across the organization in order to improve customer satisfaction and loyalty.

According to Greenberg (2001), the following are the objectives for an organization that is implementing CRM:

1. Reduce sales cost: Organizations should use new technologies to lower the cost of deploying sales automation solutions, while at the same time improve the effectiveness of organizational sales efforts.
2. Increase revenue: Organization should focus the sales force on increasing revenue through better information and better incentives to drive top line growth.
3. Standardize global forecast and pipeline management: Improve information access, forecasting and pipeline management to facilitate organization’s ability to close deals.
4. Improve win probability: Organizations should improve the focus of organizational sales efforts with better information to aid sales force to close deals.
5. Increase sales representative productivity: Reduce the stages involved in tracking and quoting customer data with integration of sales capabilities across the organization.
6. Sales representative retention: Organizations should empower organizational sales force to proactively track and monitor their performance and compensation levels to better motivate them to achieve goals and be successful within their positions and for the organization.
The objectives of CRM generally fall into three categories: cost saving, increased revenue and strategic impact. Burnett (2001, as cited in Johansson, et al. 2005) states that the following are reasonable for an organization implementing CRM:

1. Increased profitability margins: By knowing the customers well enough, efforts can be made to switch less profitable accounts to lower cost/service delivery channels.
2. Win rates: This will improve since the organization withdraws from unlikely or bad deals earlier in the sales process.
3. Decreased sales and marketing administrative cost: This decrease occurs if the organization specified has good knowledge about its target segment customers. Knowing these, the organization will use its resources better when no effort is a waste of money or time.
4. Improve customer satisfaction rate: Increase in customer satisfaction rate will occur due to the fact that customers will find that the offer is more in line with their specific needs.

Kim et al. (2003) divided CRM objectives into four categories, namely:

1. Customer knowledge, made up of: appropriate customer information collection, analyzing customer data, acquiring new customers, seeing to employees’ skill improvement, CRM technique improvement and finally, secure service.
2. Customer interaction, comprising of: giving the appropriate response to customers’ request, business process integration, seeing to channels management improvement, maximizing the effectiveness and efficiency of organizational request, customizing products and services
3. Customer Value, which is about: improving customer retention, increasing profits, Customer service and support improvement, and lastly, establishing an attractive virtual community
4. Customer satisfaction, comprising of: improving the quality of service and establishing relationships with customers

3.2 Management of Customer Relationships

This section presents theories that involve the management of customer relationship within an organization. The section is organized as follows: firstly, we present theories concerning CRM initiatives/improvement. Secondly, theories dealing with CRM implementation are discussed and lastly, we provide an understanding of theories that involves channel management.

3.2.1 Ten ways to improve your CRM

According to Bland (2003) CRM is a business strategy, requiring planning, commitment and change and any employee that has any point of contact with a customer at any time should be considered a “CRM user”. In CRM, success cannot be achieved with a software product or a marketing campaign. However, technologies such as telephone systems which can “pop” customer information, websites that store customer preferences and provide access to account information, telecommunications services which can be used to send customers a “happy birthday” can be used wherever it aids a CRM strategy. Below are ten tips Bland (2003) provided to help improve or initiate a CRM program.

1. Know what CRM is and what it is not: CRM is about marketing and customer knowledge, not about great software. The heart of CRM is about knowing your custom-
er and the way they want to interact. CRM can have a wide scope, but it can also be as simple as managing your activities and keeping your promises.

2. Top management Involvement: CRM defines what’s happening in your company so CEOs can move in several areas with more business intelligence. Top management commitment is a critical factor that will have either a positive or negative impact on CRM initiatives. In other words, “if a CRM strategy is simple and sanctioned by the CEO, it will probably work”.

3. Educate and involve staff: The biggest problem with CRM is that it requires staff to capture more data to do more things. Some employees don’t like the way it slows them down and if they haven’t been shown the value, they reject it. Organizations must get users excited, and start with a couple of key supporters. Employees need to be assured that if they put information into CRM systems; they will get value out of the systems.

4. Integrate a CRM system: different people in a company have different views of the same customer. The marketer might think “he keeps buying, we need to keep selling to him” while the financial manager thinks “he’s not paying his bills, we have got to stop selling to him”. This is why organizations need to identify customers and why CRM systems need to be integrated. Also, if customer data doesn't easily reveal which customers bring value, it can be too late to adapt marketing practices once the information is realized. Successful CRM is about having real time access to the right information.

5. Research CRM tools and technologies: Organizations should spend some time researching the IT market in order to find the appropriate tools and technologies they need. CRM in the mid 90s did not include SMS (short message service) messaging, the internet, or digital phones. There was only mail and fax. Nowadays, we have interactive TV, interactive web, digital telephony systems and email.

6. Look at the big picture when faced with cost: Some companies benefit from complex high end CRM systems. Those systems can take a long time to roll out and require consultant input. This means that management in an organization should not only think about CRM cost in the short-term, but to look at the big picture of the cost in the long-term. This is because it is about what the company needs, if you don’t have a vision beyond the sticker price, you are in trouble.

7. Manage consultant and vendor relationships: Although consultant and vendor relationships can be fractious and expensive, these partners are often the only ones that can see the “bigger picture”. So therefore, it is important organizations manage relationships and develop mutually reasonable expectations.

8. Measure the success of your CRM strategy, but be patient: It may take time for a CRM strategy to show return. Often companies will spend a lot of money on CRM, but not allocate a budget to change or establish training. So they regroup and sometimes there’s a lot of trial and error. CRM is not a five minute wonder. Sometimes it takes decades for ROI (Return on Investment) to come in.

9. Keep it simple; don’t jump in at the deep end: While IT people need to help with technical CRM decisions; each investment should have a business requirement. Organizations should remove what they don’t need and implement CRM systems where they add value for users before trying to add value to the organization. A big system might take two years to roll out and then suddenly the companies' requirements and directions have changed. Of importance is that, CRM needs can differ between departments.

10. Remember outsourcing: If the organization doesn’t feel up to the CRM learning curve, consider outsourcing. Outsourcers will often recruit, train and manage contact centers on behalf of clients. The customer doesn’t care where the person they are talking to is sitting as long as their needs are met. Nowadays, outsourcers that get customer in-
formation which they sell back to the company or use to manage CRM for the company are now prevalent.

3.2.2 CRM initiatives

Dyche (2001) argue that organizations that purchase CRM products have different strategies for increasing customer value and loyalty as follows:

1. Cross-selling and up-selling: cross-selling and up-selling generally means trying to understand which products can increase, rather than decrease a customer's total profitability. Cross-selling is the behavior of selling a product or service in addition to another purchase. Up-selling is defined as the behavior of stimulating a customer to trade up to a more expensive or profitable product or service. These strategies are aimed at selling more to existing customers because of the assumption that it's less costly and also increases revenue. Therefore, cross and up-selling has become popular. With cross-selling, companies are able to sell the right product to the right customer at the right time. Cross-selling enables companies to know that not every customer is a good candidate. Because of this, the desire of many companies to improve cross-selling business practices can be attributed to the popularity of CRM marketing automation technologies.

2. Customer retention: Understanding that customers have left, and knowing specifically who, is more important, but even getting to know their reason for leaving is far more difficult. Harder yet is stemming the tide of customer attrition by implementing this knowledge to business strategies that motivate customers to stay. This is based on the assumption that, keeping an existing customer is far more cost effective than acquiring a new one. The more customers leave, the greater the loss of revenue, loss of the initial investment acquired, and loss of a stable market base for selling new products.

3. Behavior prediction: This helps organizations predict what customers are likely to do in the future. Using sophisticated modeling and data mining techniques can help in predicting behaviors, which are based on the customers' history to determine customers' future behavior. Knowing the next action a customer is likely to take, the organization can make decisions based on the result. The key for organizations understanding customers' behavior is to actually know who their best customers are.

4. Customer profitability and value modeling: The extensive processing and detailed data combined with profitability modeling products have made it easy for organizations to dictate who of their customers that is worth keeping. It is now possible for organization to measure customers who are price sensitive, those who bring in paper-thin margins, who might never recoup their value, irrespective of their purchase volume, although certain volume customers were nevertheless highly profitable. Though, profitability is only but a piece of revenue puzzle. A customer can be unprofitable but could have referred three high value customers to your firm, thereby making himself valuable. Though, profitability is only but a piece of revenue puzzle. A customer can be unprofitable but could have referred three high value customers to your firm, thereby making himself valuable.

5. Channel optimization: The objective of marketing automation is to offer the right message to the right customer at the right time. With the advent of technology, many organizations are appending “through the right channel,” as customer interaction preference emerge. Understanding the channels through which a particular customer prefers to interact with your company is only but a slice of the pie. Organizations need to determine how best to communicate with their customers. Channel management simply means optimizing a company’s “inbound” channels with its “outbound” means of customer interaction and knowing how to choose the best approach for each.

6. Personalization: it is the capability to customize customer communication, products and services based on knowledge preferences and behaviors at the time of interaction. Personalization as known by most is online messages tailored to a particular customer or customer segment. Nowadays, personalization technologies can tailor messag-
es to individual customers, access their current data each time the customer visits the site, and this personalization technology uses the data it gathers to create customer content. The personalization technologies also allows for analysis of each customer over time and across all channels, making use of customer profile data, past purchase, click stream data, and web survey responses to determine, for example, what product a customer is most likely to purchase next or whether the customer is at risk and thus deserves giving a discount in order to lure him back. A personalized message detailing the results of that analysis is then delivered in real time when the customer visits the web site. Personalization in the B2C space is mostly based on the analysis of a customers’ click streams, his navigation path through a company’s web site.

7. Event-Based Marketing: The most suitable definition of event-based marketing is time-sensitive or sales communication reacting to customer-specific event. Event-based marketing which is also known as event driven marketing can equally apply to a segment or to individual customers. For organizations adopting CRM, it is the individual event-based marketing that they are striving for. The organizations want to move beyond traditional, painstaking choreographed and scheduled marketing campaigns to more reactive, real time customer communication highly focused on the individual customer's profile.

The ideal goal of event-based marketing is to be able to react to customers’ events in near real-time, soon after the event occurs.

Dyche (2001) concludes this part by saying, no matter the type of customer communication an organization adopts for marketing purposes, the main goal is to get the customers to visit the store, catalog, or website; to buy products they are satisfied with, and to return often.

3.2.3 Basic Steps to getting CRM right in an organization

To be able to deal with the challenges of customer relationships in the fast-evolving Internet world, even the most customer-focused organizations have to have at the back of their minds the followings. The three essential principles to getting customer relationships right according to Bradshaw and Brash (2001) are:

1. That having CRM in the front office is only but a start, and that it must have the back-office functions (for example, manufacturing, fulfillment and billing) as well as the analytic functions like data warehousing and "pushing” customer insights back up to the front office.
2. That establishing relationships across multiple media requires the correct technical infrastructure, allowing companies to deal with their customers in a consistent way across multiple media, and even add new media as required without the need to develop every interface separately and from scratch.
3. Establishing the right strategy for directing customers to different media. For a few organizations, the strategy "we will deal with customers on whatever medium they prefer” is right; but for the vast majority of organizations, it is a recipe for disaster. "Consistency” does not mean "uniformity” Getting it right in CRM across multiple media implies that organizations can deal with customers in and across multiple media and still have a unified up-to-date view of the customer, with no gaps. Doing this across multiple media will make the organization ready to face the future.

Figure 1 below represents a "virtual triangle” in CRM. The purpose of the "virtual triangle” is to ensure organizations know their customers fully, and then act according to their needs and interest. Important information is generated and used in other areas. For
any organization running CRM properly, they must integrate the front office, back office and analytic systems:

- The back office executes the customer requirements. Overall, the only customer contact functions in the back office are billing and logistics and in even these functions, the customer contact is moving into the front office environment.
- Analytical software allows organization to look for patterns in the customers' data they have collected. The results from these are normally, strategic information; used to determine future strategy, and tactical information; which helps in modifying existing practice. Increasingly, the tactical information is generated and used on the fly in customer interactions.

Bradshaw and Brash (2001), p. 525

Of recent, the main focus of CRM tends to be entirely on the front office. Although this is not risky as almost all organizations could improve their performance in this domain, it's not optimal in the long run. To extend CRM into multiple media as illustrated in figure 2, means integrating the front office with different communication channels, and this has to be done in a methodical way. Organizations that get this part right will have thought carefully about the technical infrastructure they will need. With the rapid increase in standards, most vendors are starting to build “media portals” which allow companies to make use of them to deal consistently with customers across multiple media. But just because an organization can deal with customers across multiple media, does not mean that they should offer the same facilities on each medium, or on the same level of service. The media are different and demand is being handled differently. For instance, people are more willing to wait on hold for a reasonable time to speak to a call center agent, but certainly not ready to wait to do the same transaction with an IVR (Interactive Voice Response) machine. So therefore, organizations must decide about two main issues:

1. Which customers and on what occasions they want to use a particular media
2. How they are going to direct customers to the companies chosen medium

The later point can be problematic, but some solution has been proffered, for example:
- Price: price interaction cost more or discounts are available only via automated media
- Level of service: customers have to wait to speak to an agent, but can connect immediately with the Interactive Voice Response (IVR)
- Level of facilities offered: since the web is very good for conveying large amounts of data and graphics. If an organization offers its customers all the data or graphical information they require from the web, customers who can will make use of the web

3.2.4 Internet Customer Contact

While the first wave of company Internet sites were little more than online brochures, it is now important that sites give customers options for interacting with the customers. According to Bradshaw and Brash (2001), Internet access now gives customers three ways to get in contact with companies:

1. Web chat: it allows a web site visitor and a company representative to have a text-based “conversation” in near-real-time, by alternately typing sentences in the window provided by a chat program. This facility allows businesses to offer customers one-to-one contact with a representative without having to disconnect from the web. This is especially important to domestic customers where most households make use of the same telephone line for web access and voice calls.

2. Web callback: A facility which allows customers to enter their telephone number and be called by a company representative. Companies can use this callback form to establish the customers’ interest, and ensure that a representative with relevant product knowledge calls the customer. This issue contrasts with customers being iteratively transferred after contacting a conventional call center until someone who has the right answer can be reached. Web users who visit the internet using their one and only telephone line cannot accept the call until they have disconnected their web connection. In

Bradshaw and Brash (2001), p. 526
order to be successful, they should therefore be able to tell when they would like to be
called. However, it should also be possible for the customers who have separate connec-
tions to be reached immediately.

3. Sending e-mail from the site: The issue of allowing e-mail to be sent by custom-
ers is elementary to make. Customers like it because they do not have to wait for an
available representative, as is often the case of a call center, and companies also like it
because agents can typically turn around more e-mails per hour than they can handle
live telephone interactions. Two approaches in which websites can take to inviting writ-
ten correspondence electronically are: A feedback form or a hyperlinked e-mail address
which launches the customers own email client, such as Microsoft Outlook. Although
these forms offer companies a tempting opportunity to gather personal data about their
customers, making them too long or intrusive will deter some customers, and therefore
be counter-productive.

3.2.5 Multi-channel customer contact: a necessity

In today’s competitive business world, organizations seek to advance their customer
service offerings to gain a competitive edge on unique offerings. According to the NCO
group, (a USA based company that provides accounts receivable management, customer
relationship management and back office solutions for its clients), customer support
greatly increases when consumers are offered interchangeable methods of support.
Bradshaw and Brash (2001) argue that not many organizations can expect to survive
while supporting only one channel to customer. Nowadays, customers expect to be able
to choose which channel they use for after sales support. For instance, people whose
work or family commitments make it difficult for them to telephone a call center during
its opening hours, most likely will value efficient e-mail support. So will people who
are impatient for the long on-hold waits for an available call center representative. The
competitive pressures and customer demands these have created now makes it that sup-
porting a range of channels is not an option, but a necessity. Some, if not all dot com to-
day were founded with the belief that they could service their customers exclusively on-
line. Their problem is that they have paid little to no attention to telephone and mail
support, in the hope that offering low prices will compensate for their restricted custo-
mer support facilities. And the effect of this stovepipe approach on the customer expe-
rience is disastrous. The NCO group company states that, the integral element of multi-
channel customer contact is uniform customer identification across all channels of
communication. Customers must be identified and maintained on a common platform of
data for all interactions, as this will allow the company to learn incrementally about the
customer across all touch points.

3.3 Conceptual Framework

The previous section of this thesis presented the theories connected to the subject of
CRM chosen in general and the two research questions stated in the purpose of this
study in particular. This section will narrow down the exhaustive literature reviewed in-
to a conceptualized framework which will be presented both in a text and diagrammatic
form. According to Miles and Huberman (1994, p. 18) conceptual framework explains
“The main things to be studied; the key factors, constructs or variables and the pre-
sumed relationships among them.” Conceptual framework is used to provide improved
orientation in the literature reviewed for the area studied. According to the authors, the
concept relevant to this study will be chosen to act as the basis in the data collection.
3.3.1 Conceptualization- Objectives in CRM

For this part, the conceptualization will focus on the first research question. Theories selected in this part are of importance in order to be able to answer how e-business organizations CRM objectives can be described. To make the research question easier to grasp, the CRM objectives provided by Burnett (2001 cited in Johansson, et al., 2005) will serve as a base in dividing the first research question into three categories; cost saving, increased revenue, and strategic impact. To explore how e-business CRM objectives can be described when it comes to cost saving, the following objectives will apply:

- Reduce cost of sales (Greenberg, 2001).
- Increase sales representative productivity (Greenberg, 2001).
- Decreased general sales and marketing administrative cost (Burnett, 2001).

To find out how e-business organizations CRM objectives can be described in reference to increased revenue, the following objectives will apply:

- Better information for better management (Byon et al., 2002).
- Win rates (Burnett, 2001).
- Acquiring new customers (Kim et al., 2003).
- Secure services (Kim et al., 2003).

For the third category which is strategic impact, to find out how e-business CRM objectives can be described, the following CRM objectives will apply:

- Service delights customers (Ryals, 2001).
- Improved global forecast and pipeline management (Greenberg, 2001).
- Improved customer satisfaction rate (Burnett, 2001).
- Establishing an attractive virtual community (Kim et al., 2003).
- Establishing relationships with customers (Kim et al., 2003).
- Improving channel management (Kim et al., 2003)

The authors reason for selecting the aforementioned theories are due to the fact they complement each other, highlighting the three important areas of CRM widely discussed today. Because the objectives stated by the different authors sometimes overlap in descriptions, or the same objective in different word, the authors have chosen to exclude some of the objectives stated in the literature review, as they are similar to one of the objectives above.

3.3.2 Conceptualization- Management of customer relationship

The second research question is discussed in this part. Again, selecting the theories is of importance in order to be able to answer how organizations manage their customer relationships. In most theories discussing the issue of management of customer relationships, these three areas are normally talked about (Johansson et al., 2005); initiatives, implementation and channel management. For that reason, we have divided our second research question according to the aforementioned areas.

For the first area which is initiatives, we included six out of the seven strategies for increasing customer value and loyalty; cross-selling and up-selling, customer retention, behavior prediction, customer profitability and value modeling, personalization and finally event-based marketing (Dyche, 2001). This is because the aforementioned strategies offer different means through which organizations can increase customer value and loyalty.
For the second area, implementation, we included seven out of the tens ways to improve CRM suggested by Bland (2003). This is because they are the ones most relevant to our study, as they are all applicable to CRM in e-business. The seven ways included are:

- Know what CRM is and what it is not
- Top management involvement
- Educate and involve staff
- Integrate a CRM system
- Look at the big picture when faced with cost
- Keep it simple
- Remember outsourcing

Finally, regarding channel management, we have included the second and third point on the ideal CRM organization theory proposed by Bradshaw and Brash (2001). We have equally included all the internet customer contact options proposed by Bradshaw and Brash (2001). This is because the theory discusses the different channels through which an organization can interact with its customers. Finally, we have included the multi-channel customer contact theory stated by the same author, reason being that it discusses the importance of utilizing or combining different communication channels.

The research questions stated, and the theories used in this study are connected as figure 3.1 shows. Depending on how the first research question is answered, the answers of the second research question are likely to be affected. That is, the management of customer relationship is expected to be affected by the set of objectives stated.

<table>
<thead>
<tr>
<th>Theories connected to research question 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customer relationship management objectives</td>
</tr>
<tr>
<td>• Cost saving</td>
</tr>
<tr>
<td>• Increased revenue</td>
</tr>
<tr>
<td>• Strategic impact</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theories connected to research question 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CRM Initiatives</td>
</tr>
<tr>
<td>• CRM implementation</td>
</tr>
<tr>
<td>• Channel management</td>
</tr>
</tbody>
</table>

Figure 3.1
4 Empirical Findings

This chapter contains the empirical data that has been gathered for the purpose of this study. It contains data primarily generated through the use of interviews. We have investigated two organizations for our study which are Everything5pound.coms, based in the UK and ellos.se, based in Sweden. We have collected the data to look at how these two fashion companies located in different countries use CRM, as the companies are in the same line of business. In the empirical data presentation, the interviewees will be referred to as respondent, by name (however, the respondent from Everything5pounds has chosen to remain anonymous) or by organizational name. We collected our data based on the literature review in chapter two. We have presented the empirical data in such a way that it addresses the two research questions of our thesis. Each section of this chapter will start with a brief background of the organization, after which the data collected will be presented.

4.1 Case Study-Everything5pounds.com

We conducted a telephone interview with an employee from Everything5pounds.com who has an extensive experience working with CRM. However, the respondent has chosen to remain anonymous.

Everything5pounds.com is a women’s fashion retailer that has been in business for over 15 years. The company is located in the UK and operates beyond borders. For the last three years the company started focusing on budget clothing and became very successful in that market. The aim of the company is to reach a large amount of customers with low prices.

4.1.1 CRM Objectives at Everything5pounds.com

The respondent from Everything5pounds.com explained that CRM has been implemented in their organization since the inception of their company. Therefore, it is a natural part of the company's strategy in the daily running of their business. The CRM objectives in Everything5pound.com are not specifically broken down into the CRM objectives that have been presented by different authors. However, Everything5pounds.com has the following three CRM objectives in their organization: customers first, help the customer in the best way with the best information, and use many resources to solve the problems of the customers. The respondent stated that everything in their organization revolves around the customers, because customers are the pillar in their organization. So, it can be concluded that their organization is “customer-centric”. According to the respondent their customers are not people they meet face-to-face. Therefore, they have to have every tool necessary in place, to deal with a lot of customers at the same time if they still want to remain in business. The respondent proposed that it is highly important they equip their website with information which is easy to find, and their website has been made user-friendly. It is simple and easy for customers to place their orders. The respondent proposed that placing the customers as number one priority helps attract, acquire and retain customers. They not only offer cheap products (everything a customer purchase is 5 pounds), but see it as a priority to satisfy customers by making their deliveries as soon as possible.

According to the respondent, the three CRM objectives mentioned above are the ones the organization has officially stated. However, the respondent mentions some issues which are paramount in Everything5pounds.com. The respondent explained that reducing cost of sales is not very important in their organization because all their products have already been leveled to a flat rate. The respondent stated that their organization believe
that women's fashion trends are moving so fast, therefore, every single person, their customers should have the right to fill up their wardrobes without having to pay a fortune. That is why they made their products so cheap. The respondent explained that their products are cheap because they have vast experience in the fashion business and their contacts from all over the world are working for them around the clock. The respondent proposed that improving the organizations knowledge about customers through training and seeking questions from customers in the form of feedbacks help the organization to understand customers' needs. From the result, everything5pounds.com can better tailor their products to customers' needs, and will also make their communication, marketing and logistics efforts more effective. Everything5pounds.com has stated that they dispatch customers' orders quickly, along with providing customers with the tracking numbers, which they can use to track their purchases on their website and everything5pounds.com Courier Company also sends customers update e-mails about their tracking information and the estimated delivery time of their item. The respondent mentioned that establishing relationships with their customers is very important for Everything5pounds.com to have customers who are loyal to their organization, as it is easier to keep an existing customer than acquiring a new customer.

Everything5pounds.com has differentiated them self from other fashion chains in that customers get the exact quality of products at five pounds, which are sold three times higher than what everything5pounds.com sells. The respondent states that the quality and price their company offers their products, customers cannot find a better price elsewhere.

Finally, the respondent mentioned that having a secure service is somewhat important to everything5pounds.com because all the transactions between the company and organization is done exclusively online, using PayPal, credit cards, Barclays etc. However, it's something they have taken care of, so there is no issue at the moment about not having a secure site.

4.1.2 How Everything5pounds.com manage their customers.

According to the respondent, the following was of importance when everything5pounds was implementing CRM: successful outcome, easy to implement and understand. These things were important to them so that they could increase in every sector. The respondent explained that knowing what CRM was and what CRM was not was a major factor when they chose to go that route. Everything5pounds.com did not just jump into the bandwagon of implementing a CRM, but researched many resources in order to be successful with CRM. The respondent explained that staffs and top management are involved in the decision making, when there is a need to implement a new CRM objectives, because they are the ones who are affected by the implemented CRM objectives. The respondent stated that there is no too much training done when it comes to the employees that come in contact with the newly implemented CRM, due to the fact their organization did put enough resources and effort in making it as simple as possible.

When it comes to long-term view, their organization had that factor at the fore-front. They looked at the big picture. It was not about implementing a CRM, but looking what CRM would be good for the company. The respondent mentioned that although it was difficult to foresee what the benefits of making such a huge investment, they didn't think on the short-term view, because they know having what is best for the organization was of more importance, and that was what the organization needed. Everything5pounds.com wants to get possible return on the investment made on CRM. According to the respondent Everything5pounds.com has integrated both front-office and back-office because their organization believe that CRM has a natural connection with
business, and these was done in their organization so that the CRM implemented would be cost effective. Being an organization that conducts their businesses exclusively online, Everything5pounds.com tries as much as possible to keep full control of their interactions with customers because they need to act on the demands of the customers, which means every CRM issue is done internally within Everything5pounds.com, so they view outsourcing as low in managing their customers.

Everything5pounds.com is in the business of both cross-selling and up-selling. They have integrated their system in such a way that when a customer wants to make a purchase, the customer is also suggested of other items which they can equally purchase. They also make it possible for existing customers to purchase additional items which they are selling. These they have done to let customers know of the different brands of products they have in stock, and also to make them to buy more of their products. They have also provided a medium on their website where customers can sign up for exclusive newsletter promotion by adding their e-mail to the box provided, these they have done to help customers keep up with what is in stock and for new arrivals and also to make customers to buy more. When it comes to customer retention, Everything5pounds.com does everything within their reach to keep their customers coming back. The respondent stated that, though their products are already cheap, which therefore there should be no reason for a customer to leave, everything5pounds.com goes extra mile to see their customers are there. They have created a page on their website where customers can ask questions, contact them directly online, or interact with them through social networking sites like Facebook, twitter etc. They also control their customer's behavior by monitoring how customers make purchases and how they navigate their websites. All these they have done so that everything5pounds.com could better predict their customers' purchase and future purchase, in order to serve them better next time.

According to the respondent, when it comes to customer profitability, it is still important to Everything5pounds.com notwithstanding that they already offer their products at a low price. To do this, they have a Facebook page where a customer/the public can win a bag every day. They have set out criteria’s like the people liking their Facebook page to enter for the competition. This helps them to gain customer profitability, as the already existing customers helps them generate new customers by telling them this offers Everything5pounds.com provides using Facebook.

According to the respondent, everything5pounds view web chat and web callback as communication channels which are not effective and cost efficient because it consumes time and also, it is not popular. The respondent explained that they have gone with what is in vogue, what the customers demand. Everything5pounds.com communicates with customers through telephone, e-mail, Facebook and twitter. According to the respondent these communication mediums are fast, easy, modern, popular, everybody has it, and beneficial.

The respondent reported that they integrated the different communication channels they use in a way. For example, if someone e-mails them, and then calls later, they try to connect the information so that they have everything about that particular customer. According to the respondent, Everything5pounds.com tailored communications with each customer; therefore, personalization is a major part of their organization. They have implemented the CRM in such a way that it can keep track of customers’ information, how they visit the site, and this technology uses this data to create customer content. They do not utilize personalization in their products because what they offer is mass market, not tailoring a product to a particular customer as their prices are flat rate.
The respondent proposed that event-based marketing is very important for the success of Everything5pounds.com. According to the respondent, they make it possible to help customers in any way they can in order to keep the customer. For example if a customer calls and they understand from the customers’ tune that he/she is about to leave the organization to shop another place, they will make sure to place the customer to the right person, who would have the right answer to the customers question or behavior, in order to help the customer make an informed decision.

4.2 Case Study-Ellos.se

We conducted a telephone interview with Magnus Axelsson from Ellos.se who holds the post of Recruiting new customers.

The Swedish entrepreneur Olle Blomqvist founded Ellos in 1947 and he started working from his basement where it grew and it was later on bought by Ica. Today however, Ellos.se is part of a distance commerce organization called Redcats, which includes a range of other businesses. Redcats in line is owned by PPR. Even though Ellos started off as a mail order business and still have that service available it has become more of an e-business company. Ellos.se is in fashion retail business, toy and home electronics. Today, Ellos is located in eight different countries.

4.2.1 How can Ellos.se CRM objectives be described?

According to the respondent, there are a number of processes at Ellos.se that can be considered as CRM but they are not linked together in a way that can enable them to call it CRM. So basically, the term CRM is not used at Ellos.se, but according to the respondent, Ellos.se is a "customer-centric" organization that is always working in ways to improve their customers' needs. The respondent explained that Ellos.se would not still be in business if not for their customers. So because the term CRM as used in this study is not used at Ellos.se, doesn't mean that Ellos.se does not practice CRM. The respondent stated that at Ellos.se, they are three objectives they are constantly working on when it comes to their customers. They are: Cost efficiency, better service and ease of use.

According to the respondent, the first objective is the main objective Ellos.se is focused on, reason being that Ellos is an old mail ordering company, making use of a lot of papers, including catalogues. Now, Ellos.se is making major changes from shifting their ordering channel from paper to online. This will help them to attract more customers, sell their products at a more reduced price and generally reduce cost of operations while still offering quality products to their customers. The first objective supports the second objectives because from shifting to online, Ellos.se is able to provide better services to their customers. Customers are now able to place their orders online unlike before when it was done through paper. This has significantly reduced the time it took for customers to receive their orders, because once the order is placed online, Ellos acts on the order immediately. The customer service is also there to provide answers to customer's questions and they try to reply e-mails from customers as soon as possible.

The third objective Ellos.se has towards their customers is having a Website which all customers will have no problem using and navigating around it. Customers are able to login and shop as they want at any time of the day, without having any problems. They have designed their website in a way that customers would be able to find all the information they are looking for, without having to call on phone, which could be wasting the customers' valuable time.
The respondent reported that these three objectives are especially important to Ellos.se because their customers are the focus, and the objectives are important in order for them to be successful in e-business. The respondent mentioned that another objective which Ellos.se is constantly working on, although not stated in the company's objectives is having information about their customers in order to serve them well. Having information about their customers helps them to understand what they customers want. The respondent described for example, there are customers who do not make use of the catalogues sent to them, which could be bothering the customers' with what they do not want, and at the same time, Ellos.se wasting resources. So, shifting to e-business and having a website has helped them to collect information on which customers to send catalogues or not. They have provided a platform on their website where customers can check whether they want to receive catalogues or not, so with that, Ellos.se is able to determine which customers get sent catalogues and which customer does not want to get catalogues sent to them. They also collect information about customers to help serve them in a better way, as according to the respondent, having satisfied customers who will hopefully return back and order is a major profit to the organization. The respondent explained that increased sales representative isn't an issue at Ellos.se because they do not make use of traditional sales representatives; their main selling channel is their website, so this is not an objective for them.

4.2.2 How does Ellos.se manage customer relationship?

According to the respondent, although the term CRM is not used at Ellos.se, their organization is a “customer-centric” one. So when it comes to the management of their customer relationship, the respondent views top management involvement as crucial more than staff involvement. It is the management who makes decisions about customers and passes it down to the staff. The respondent explained that the staffs are involved in the decision making, but not as much as the top management is. The respondent proposed that naturally, having a long-term view is important to retain customers, but in the case of Ellos.se not seeing the short-term goals will complicate things because they need to know whether they are improving or not because of the nature of the products they sell. The respondent reported that keeping things simple when it comes to their website is the best way. Customers only want to be able to find their ways around Website when making purchases, so there is no point making things complicated which most customers wouldn't want. The respondent mentioned that it is important that they keep things simple because they have way too much data about their customers, which the respondent thinks a few company has such information about their customers.

According to the respondent, all business operations are done by the management and staffs, so there is nothing to outsource. So, outsourcing is not an option at Ellos.se. According to the respondent, Ellos.se has a customer management system and an e-business system which helps them to collect data about customers in terms of what they need, what they purchase, etc. At least, Ellos.se is able to predict their customers' future behavior to a certain extent. These technologies also simplifies things like cross-selling and up-selling as it suggests for customers what they can also buy when making purchases, thereby making them to buy more. With the different systems, Ellos.se is able to look up processes that need obvious improvement from the feedback they get from their customers, and act upon these feedbacks, thereby improving in the area of customer retention. To have customers who are loyal to Ellos.se, they offer premiums to customers where customers can pay 199sek and get free shipping on all purchases for 12 months, and the premium also gives customers some advantages like being the first with the latest fashion trends and news, shop sales before anyone, etc. Ellos.se also engages in
event-based marketing initiative as they have competitions where customers could enter to win tickets to various events for example, the Nordic adventure cup.

According to the respondent, Ellos.se uses as many communication channels as they can. The respondent explained that they work a lot with addressed and unaddressed advertisements, and this is where Ellos.se uses a lot of paper. They use e-mails, SMS, and web channels to communicate with their customers. The respondent said they use these different channels because they are a volume company with a large customer database, using different channels helps them reach all their customers. Although the respondent mentioned that they are working to find the mediums each customer would prefer to be interacted with in the future. Ellos.se does not use web callback and web chat because it can be time consuming. Telephone is used in placing orders at Ellos.se, but the phone ordering service according to the respondent is a very small part of the overall sales. The respondent proposed that integrating these various communication channels would be a great win for them. For now at Ellos.se, the communications channels are integrated to some extent, but according to the respondent, not nearly as well as they want to become in the future. They have a system where they can see what customers have ordered from what channels and when they have ordered, etc. From this information, they make a collection of which customer should get an e-mail and who should get a paper advertisement. With this information they get, they also verify what activities the customer had through the different channels. So according to the respondent, the different channels are integrated in a way, but said technically, they have a lot of improvements to make so that these are handled automatically as opposed to how manually they are done now.
5 Analysis

This chapter will analyze the empirical data collected and presented in chapter 4. The analysis was structured in the following manner; a within case analysis was conducted, where the empirical data from each organization is separately compared with the frame of reference to know whether it is in accordance to theory or not. Then, a cross case analysis was done to compare the two cases from the different organization. We have presented the analysis in a way that it addresses the two research question.

5.1 Case Analysis of Everything5pounds.com

Here, a within case analysis of Everything5pounds.com is presented. The data gathered from the organization is compared with the frame of reference.

5.1.1 Objectives of CRM- Everything5pounds.com

In analyzing the data, we see that when it comes to the first category of CRM objectives, which is cost saving, the collected data is in agreement with our frame of reference when it comes to decreased general sales and marketing administrative cost (Burnett, 2001). This is so because Everything5pounds.com knows the importance of getting to know who their customers are so as to serve them better. Therefore, they are able to use their resources more effectively. The collected data on reduced cost Greenberg (2001) is not in accordance with our frame of reference. This is because, Everything5pounds.com already offer their products at cheap rate. The collected data is in accordance with our frame of reference when it comes to increased sales representative productivity objectives Greenberg (2001), in the same category as cost saving. This is because Everything5pounds.com knows that providing the right resources to help improve sales and marketing is very important.

When it comes to the second category of CRM objectives which is to be revenue enhancement, the collected data is in accordance with our frame of reference, win rates (Burnett, 2001). This is because, Everything5pounds.com goes extra miles to see they help their customers in any way they can, and also they are constantly improving in every area to have a good knowledge about each and every customer of theirs. This reason also validates the fact that the collected data for better information for better management Byon et al. (2002) is in accordance with our frame of reference. Also, helping the customers in the best way with the best information will attract new customers to Everything5pounds.com. The collected data is somewhat in accordance with our frame of reference when it comes to secure services (Kim et al., 2003). This is because all the transactions between customers and Everything5pounds.com is done exclusively on the internet, so it is something they are constantly aware of, and have tried to implement secure services, so in that area, they are sure of their website in being secure.

For the third category of objectives which is strategic impact, the collected data is in accordance to our frame of reference when it comes to improved customer satisfaction rates Burnet (2001), as well as for improved global forecast and pipeline management (Greenberg, 2001). This is because, Everything5pounds.com makes sure they provide answers to customers’ questions in a timely manner, and also have technologies in place to help keep track of their customers in order to forecast their buying behavior and future needs.

Everything5pounds.com believes that helping customers to solve their problems is highly important, that is why they have employed different resources in their organizations which they can use to solve customers’ problems whenever the need arises, and they
have also equipped their website with a lot of relevant information which are easily accessible, for this reasons, the collected data is in accordance with our frame of reference on, service helps organizations to delight customers, as well as service helps organizations to differentiate their products (Ryals et al., 2001). Establishing relationships with customers and improving channel management when it comes to products and keeping up with delivery promises are of importance to Everything5pounds.com, that is why they always update customers with what is in stock and tracking numbers of their purchased items, therefore the collected data is in accordance with our frame of reference. For the last objective in this category, building an attractive virtual community (Kim et al., 2003), the collected data is in accordance with our frame of reference because Everything5pounds.com have created a Facebook page where people from all works of life can like their page and communicate with people who they may not be able to see in life. The table below shows information gathered from Everything5pounds.com, as well as their importance.

Table 5.1: Within case analysis of Everything5pounds.com CRM objectives

<table>
<thead>
<tr>
<th>How Important CRM Objectives are</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Saving</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreased general sales and marketing administrative cost</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Reduce cost of sales</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased sales representative productivity</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue Enhancing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Win rates</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better Information for better management</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquiring new customers</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secure service</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td><strong>Strategic Impact</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved customer satisfaction rates</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve global forecast and pipeline management</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service helps organizations to delight customers</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service helps organizations differentiate their products</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving channel management</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishing relationships with customers</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building an attractive virtual community</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.1.2 Management of Customer Relationship-everything5pound.com

In the first category, initiative, the collected data is in accordance with our frame of reference on cross-selling and up-selling Dyche (2001), in that Everything5pounds.com has designed their website in a way that when a customer makes a purchase, some additional items are suggested for the customer in order to make them buy more. Through customers’ stored data with the help of technology and offering products at a cheap rate, updating their websites daily with new arrivals. For this reason, the collected data from Everything5pounds is in accordance with our frame of reference on behavior prediction and customer retention (Dyche, 2001). For customer profitability, the collected data is in accordance with that theory since Everything5pounds.com offers customers their products at a lower rate, and also gives them the chance to win a handbag every day. Everything5pounds tailors their interactions with customers, when a customer sends e-mail and later calls, they are able to match that customers' information. So, the collected data is in accordance with our frame of reference on personalization (Dyche, 2001).

When a customer is about to make a move away from the organization, Everything5pounds.com tries to win the customer back by directing the customer to a person in the organization who has the right answer to the customers' needs in order to help the customer make an informed decision, and the data is in accordance with our frame of reference on event-based marketing (Dyche, 2001).

For the second category of the CRM objectives, implementations, the collected data is in accordance with our frame of reference on knowing what CRM is or not, top management and staff involvement (Bland, 2003). The reason for this is that, at Everything5pounds.com, according to the respondent, they did an extensive research on CRM before it was implemented in the organization, and top management and staff were all consulted during decision making. Talking about integration of CRM systems, looking at the big picture and keeping it simple Bland (2003), the collected is in accordance with those theory because at Everything5pounds.com, they have implemented the system in such a way that they are able to match customer's data or queries even if they utilize another communication channel to reach them, they have also integrated the front-office and back-office functions during the implementation of the CRM because they see CRM as part of the business. When they implemented CRM, they looked at the long-term view, not just jumping on the bandwagon, and made it as simple that everyone working in the organization understands it. That also leads to the issue of outsourcing. The collected data is not in accordance with our frame of reference because Everything5pounds.com does everything internally when it comes to keeping control of customer interactions (Bland, 2003).

Lastly, for the third category, channel management, the collected data is in accordance to telephone, e-mail and mail, this is due to the fact that Everything5pounds utilizes this medium when communicating with their customers. The collected data is not in accordance with our frame of reference on Web chat and web callback Bradshaw and Brash (2001). Everything5pounds.com has termed these communication channels as being archaic. The collected data on multi-channel contact Bradshaw and Brash (2001) is in accordance with our frame of reference because Everything5pound.com utilizes different channels when communicating with their customers and it is integrated in such a way that it pops up the customers data from different channels. The table below shows the data from Everything5pounds.com along with their relative importance.
Table 5.2: Within case analysis of Everything5pounds.com CRM management

<table>
<thead>
<tr>
<th>Degree of managing CRM</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initiatives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross-selling and up-selling</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Customer retention</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Behavior prediction</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Customer profitability and value modeling</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Personalization</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Event-based marketing</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td><strong>Implementation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowing what CRM is and what it is not</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Top management involvement</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Educate and involve staff</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Integrate a CRM system</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Look at the big picture</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Keep it simple</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Remember outsourcing</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td><strong>Channel Management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Web chat</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Web callback</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Sending e-mail</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Mail</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Multi-channel contact</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

5.2 Single Case Analysis of Ellos.se

Here, a within case analysis of Ellos.se is presented. The data gathered from the organization is compared with the frame of reference.

5.2.1 Objectives of CRM- Ellos.se

When we come to the first category, cost saving objectives, the collected data is in accordance to our frame of reference which is decreased general sales and marketing administrative cost (Burnett, 2001). This is because Ello.se has replaced sending custom-
ers who do not eventually use the catalogues to make orders with a channel that best works with these customers. This was accomplished by collecting information from different customers in regards to what channels they prefer in making their orders. So obviously, this method has generally decreased the amount Ello.se spends on resources in making those catalogues which are not utilized by customers and also reduced the cost of items at Ellos.se as well. The respondent said Ellos.se does not have traditional sales representatives that their main selling channel is their website, and the phone ordering service is a very small part of their overall sales, so the collected data is not in accordance with our frame of reference, increased sales representative productivity (Greenberg, 2001).

The second category, revenue enhancement objectives, the collected data is in accordance with our frame of reference, win rate Burnett (2001) and acquiring new customers (Kim et al., 2003). Ellos.se strives to keep their customers by providing solutions to their customers’ problems each time the need arises, and offering them better services. They are always there for their customers. The collected data is in accordance with our frame of reference, better information for better management (Byon et al., 2002). This is because, Ello.se already equip their staff with the information they need beforehand, in order to better service their customers. The issue of secure service Kim et al., (2003) is not much of an issue at Ello.se because they have a secure payment options, so again, the collected data is to an extent in accordance with our frame of reference.

When it comes to the third category, strategic impact objectives, the collected data is in accordance with our frame of reference improved customer satisfaction rates (Burnett, 2001). The respondent said that it is a major profit for Ellos.se to have satisfied customers who will hopefully return back to buy more. It is when you offer your customers quality service that they would likely return back to you again. The collected data is somewhat in accordance with our frame of reference; improve global forecast and pipeline management Greenberg (2001), and establishing relationships with customers (Kim et al., 2003). The respondent said improving global forecast is not a big part of the issue they are facing now, but it is something they are going to look into in the future. According to the respondent, Ellos.se is more of a quantitative company, they have a large volume of customers, so it is not really easy to have a deep relationship with each of these customers, so they try as much as they can to keep their customers satisfied by offering them better services they provide. The respondent said they always emphasize the importance of finding better ways to delight their customers, and offering better services to customers help them attract customers and keeps already existing ones, so the collected data is in accordance with our frame of reference, service helps organizations to delight customers (Ryals et al., 2001). The respondent said they are working towards gathering information from customers on what mediums they would prefer when contacting the company and when making their orders to better serve them, so the collected data is in accordance with our frame of reference, improve channel management (Kim et al., 2003). Building an attractive virtual community Kim et al. (2003) is not of importance to Ellos.se, so the collected data is not in accordance with our frame of reference. The table below shows information gathered from Ellos.se, as well as their importance.
Table 5.3: Within case analysis of Ellos.se CRM objectives

<table>
<thead>
<tr>
<th>How Important CRM Objectives are</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Saving</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreased general sales and marketing administrative cost</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Reduce cost of sales</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Increased sales representative productivity</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue Enhancing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Win rates</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Better Information for better management</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Acquiring new customers</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Secure service</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td><strong>Strategic Impact</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved customer satisfaction rates</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Improve global forecast and pipeline management</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service helps organizations to delight customers</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Service helps organizations differentiate their products</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Improving channel management</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Establishing relationships with customers</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Building an attractive virtual community</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5.2.2 Management of Customer Relationship-Ellos.se

For the first area, initiative, the collected data is in accordance with our frame of reference on cross-selling and up-selling (Dyche, 2001). This is because, Ellos.se has designed their website in such a way that when a customer is making a purchase, the website also suggests some items that the customer could buy together with what they customer have chosen, what some other customers who bought the same item also purchased, and or to upgrade to a more expensive item. This is to get the customer to purchase more. Ellos.se has two systems which they use to monitor customers activities online, which helps them to make improvements in certain areas, and to understand what each individual customer does when they log on to their website, collecting this information helps them to predict what a customer is likely to buy in the future or needs. The system also helps them to store information about this customer. They also offer their customers premiums where the customers can receive free shipping on every item they purchase no matter any day/time for 12 months for only 199sek. So the collected data is in accordance with our frame of reference on customer retention and behavior prediction (Dyche, 2001). As stated before, Ellos.se considers themselves having a large vo-
lume of customers, so it is not easy to keep all this information about each customer and scoring them accordingly or offering them a particular service, but they try to do the much they can. So the collected data is to an extent in accordance with our frame of reference on customer profitability and value modeling, and personalization. Ellos.se offers competition where customers can enter for and win tickets to certain events that are taking place; the collected data is in accordance with our frame of reference on event-based marketing (Dyche, 2001).

When it comes to implementation, Ellos.se does not use the term CRM as used in this study, but have integrated all the activities in the organization that one would actually call it a CRM, and they are focused on customers in their organization, so the collected data is in accordance with our frame of reference on defining what CRM is or not (Bland, 2003). Decision making comes from the top management at Ellos.se and then passes on to the staff, so they make sure everyone is on the same page when decision gets passed in the organization. So the collected data is in accordance with our frame of reference, top management involvement and to an extent in accordance with staff involvement (Bland, 2003). The respondent said naturally long-term view has an important role to play, but for their case, they have done it in such a way to see a short-term goal of the value they derive from their business to know whether they are progressing or not, so the long-term isn't really that important to them, so the collected data is to an extent in accordance with our frame of reference. They have a large volume of information about customers which they think few companies have such amount of information about their customers. For them, keeping things simple so that everyone could find their way through with customer's information is important, so the collected data is in accordance with our frame of reference, keep it simple (Bland, 2003). At Ellos.se, all the business operations are done in-house, so there is no need for them to outsource anything, therefore, the collected data is not in accordance with our frame of reference.

For channel management category, the respondent said as they are a volume company, with large customer database, using different channels helps them to reach all their customers, but in the future, they are hoping to tailor their communication channels to each individual customer. For now, they use mail, e-mails, SMS, and web channels to reach their customers. Telephone is a small part of their communication channel. So, the collected data is in accordance with our frame of reference on e-mail, multi-channel customer contact and to an extent in accordance with telephone (Bradshaw & Brash, 2001). At Ellos.se, they do not use web chat and web callback, reason being that they can be time consuming, so the data is not in accordance with our frame of reference. The table below shows the data from Ellos.se along with their relative importance.

Table 5.4: Within case analysis of Ellos.se CRM management

<table>
<thead>
<tr>
<th>Degree of managing CRM</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initiatives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross-selling and up-selling</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer retention</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Behavior prediction</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer profitability and value modeling</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personalization</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Event-based marketing

Implementation

Knowing what CRM is and what it is not

Top management involvement

Educate and involve staff

Integrate a CRM system

Look at the big picture

Keep it simple

Remember outsourcing

Channel Management

Web chat

Web callback

Sending e-mail

Mail

Telephone

Multi-channel contact

5.3 Cross Case Analysis

This latter part of the chapter looks at the similarities and differences which can be spotted from the two organizations studies, and tries to identify what is likely to be cause of the differences.

5.3.1 Analyzing CRM Objectives of the two Companies

For the first category, cost saving objectives, there is a bit difference found between Every-thing5pounds.com and Ellos.se. The two organizations see decreased general sales and marketing administrative cost Burnett (2001) as being important; however, they do not say the same for reduced cost Greenberg (2001) and increased sales representative productivity (Greenberg, 2001). The reason for this differences is that Everything5pounds.com subsidized the price of their products to a flat rate, so they see no reason to further reduce their cost, while with shifting from mail ordering to online ordering, Ellos.se has a reason to reduce the price of their products because they do not spend as much resources as before when they were using mail ordering. Everything5pounds.com says that providing resources to improve sales and marketing is important, while Ellos.se said that they do not make use of traditional sales representatives, so it is not important to them. Also for the second category, revenue enhancing objectives, no differences could be found between the two organizations when analyzing win rates Burnett (2001), better information for better management Byon et al. (2002), acquiring new customer and secure service (Kim et al., 2003).
For the third category, strategic impact objectives, no differences could be found in both organizations when it comes to improved customer satisfaction Burnet (2001), service helps organizations to delight customers Ryals (2001), service helps organizations differentiate their products and improving channel management (Kim et al., 2003). However, improving global forecast and pipeline management Greenberg (2001), establishing relationship with customers and attractive virtual community Kim et al. (2003) is what Everything5pounds.com values than Ellos.se. The reason for this is that Ellos.se has a large volume of information about customers, and they are always striving for ways to improve the storing of this information they have about their customers in order to serve them better. They need to maintain the customers they have already because it cost more acquiring new customers than keeping existing ones. Those options, they value it, but not an issue for them at the moment, maybe in the future.

Table 5.5: Cross case analysis of CRM Objectives of two companies.

<table>
<thead>
<tr>
<th>Relative Importance of CRM Objectives</th>
<th>Everything5pounds.com</th>
<th>Ellos.se</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Saving</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreased general sales and marketing administrative cost</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Reduce cost of sales</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Increased sales representative productivity</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Revenue Enhancing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Win rates</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Better Information for better management</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Acquiring new customers</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Secure service</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Strategic Impact</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved customer satisfaction rates</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Improve global forecast and pipeline management</td>
<td>high</td>
<td>Medium</td>
</tr>
<tr>
<td>Service helps organizations to delight customers</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Service helps organizations differentiate their products</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Improving channel management</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Establishing relationships with customers</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>Building an attractive virtual community</td>
<td>High</td>
<td>Low</td>
</tr>
</tbody>
</table>

5.3.2 Cross-Case Analysis- Management of Customer Relationship

When it comes to the first area, initiatives, there is no difference found in both organizations in terms of cross-selling and up-selling, customer retention, behavior prediction and event-based marketing (Dyche, 2001). However, Everything5pounds.com values
customer profitability and value modeling, and personalization (Dyche, 2001) than Ellos.se does. As we stated before, the respondent said they have large volume of information about their customers which they doubt many companies would have such amount of information about their customers. So, keeping track of how to reward or personalize things according to each customer is not really an easy thing for them to do at the moment, but they try as much as they can to keep their customers.

For implementation, Ellos.se does not use the term CRM, but the respondent agrees that knowing the meaning of whatever term they use was important. Therefore, both organizations agree that knowing what CRM is and what it is not, top management involvement, integrate a CRM system and keeping things simple is important (Bland, 2003). The two companies do not outsource their business operations, so they agree on that aspect too. However, educating and involving staff, and long-term view (Bland, 2003) was of more importance to Everything5pounds.com than Ellos.se. The respondent from Ellos.se said that looking at the big picture plays an important role; however, they would rather see how successful they are in the short-term. The decision at Ello.se comes from top management, and then to the staff to make sure everyone is on the same page, however at Everything5pounds.com, staffs are involved in the decision making.

Looking at how Everything5pounds.com and Ellos.se manage their customer relationship in the third category, channel management, we see no difference between both organizations when it comes to web chat, web callback, sending e-mail, mail and multi-channel contact (Bradshaw & Brash, 2001). However, Everything5pounds.com uses telephone more than Ellos.se. The reason for this is that at Ellos.se, the telephone is a small part of their ordering channel, while Everything5pounds.com uses telephone in contacting their customers. Table 5.6 below is an obtained information from the cross case analysis performed on both organizations, with their relative importance.

<p>| Table 5.6: Cross case analysis of Management of Customer Relationship of both companies. |
|--------------------------------------------|-------------------------------|-------------------------------|
| Relative Importance of CRM management    | Everything5pounds.com         | Ellos.se                      |
| Initiatives                               |                               |                               |
| Cross-selling and up-selling              | High                          | High                          |
| Customer retention                        | High                          | High                          |
| Behavior prediction                       | High                          | High                          |
| Customer profitability and value modeling | High                          | Medium                        |
| Personalization                          | High                          | Medium                        |
| Event-based marketing                     | High                          | High                          |
| Implementation                            |                               |                               |
| Knowing what CRM is and what it is not   | High                          | High                          |
| Top management involvement                | High                          | High                          |
| Educate and involve staff                 | High                          | Medium                        |</p>
<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrate a CRM system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Look at the big picture</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>Keep it simple</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Remember outsourcing</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

### Channel Management

<table>
<thead>
<tr>
<th>Channel Management</th>
<th>High</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web chat</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Web callback</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Sending e-mail</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Mail</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Telephone</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>Multi-channel contact</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
</table>
6 Findings and Conclusions

The presiding chapter presented the analysis of the empirical data obtained for the purpose of this study. This chapter will present the findings and conclusions of this thesis by answering the two research questions stated in chapter one. In this chapter, we also reflect on our work and give suggestions for future research concerning CRM.

The main objective we want to achieve in this thesis is to explore out how B2C e-business organizations use CRM, the reasons e-business organizations implement CRM (The objectives) and how they manage customer relationship using CRM, from fashion companies’ perspectives. These we have succeeded in finding out from our research. From conducting this research, we found that both companies had a similar CRM objectives, however, these organizations have not broken down these objectives into a uniform manner. The both organizations have a different view of what each objective means to them.

To answer our first research question, from the analysis, we see that CRM objectives in e-business organizations, from fashion companies’ perspectives fall into three categories, cost saving, revenue enhancing, and strategic impact. For the first category, cost saving, e-business organizations focus on the decreased general cost and marketing administrative costs Burnett (2001) by employing the specialized services of technology to help reduce resource waste which there were facing when they didn’t have those technologies.

For the second category, revenue enhancing, we would say e-business organizations focuses on providing the right information from management to staff, to help better serve their customers, which in turn wins their customers heart and attract new ones (Kim et al., 2003). For the third category, strategic impact, e-business organization focuses on improving channel management and offering good services to keep their customers satisfied and also differentiate their products from other organizations (Kim et al., 2003).

To summarize the first research question, the valid CRM objectives for e-business organizations from the fashion companies’ perspectives are:

- Decreased general sales and marketing administrative cost
- Win rate
- Better information for better management
- Acquiring new customers
- Improved customer satisfaction
- Service helps organizations to delight customers
- Service helps organizations differentiate their products
- Improving channel management

For the second research question, it is interesting to note that both e-business organizations do not view web chat and web callback Bradshaw and Brash (2001) as an efficient means to communicate with their customers, and also, they do not agree to outsourcing Dyche (2001) any of their business operations, they prefer to do it in-house.

On that light, in answering our second research question, these three factors matters most to e-business organizations when managing customer relationships: initiatives, Implementation and channel management. For the first factor, initiative, we conclude that e-business organizations focus on cross-selling and up-selling Dyche (2001) to get their customers to buy more. They offer good services in order to retain customers. They monitor customers’ activities online in order to be able to predict the behavior of
their customers in terms of what they want (Dyche, 2001). We can also conclude that they use event-based marketing to create awareness of their organizations.

When it comes to the second factor, implementation, we conclude that e-business organizations focus on knowing what CRM is Bland (2003) in order to have everyone in the organization on the same page. We conclude that they utilize top management involvement because every new change or decision normally starts at the top and then circulates. E-business organizations focus on keeping everything simple Bland (2003) so as everyone could understand and manage things in the organization. For the third factor, channel management, we conclude that e-business organizations use e-mail Bradshaw and Brash (2001) because it is more expressive. The customers can express in detail what they want, and the respondent can provide detailed answers to the customers’ query, which it might not be possible when using phone because the customer might be calling from a pay phone, which would be expensive to them, thereby not being able to express themselves well. They focus on using multi-channel contact Bradshaw and Brash (2001) because they have large volume of customers, so it would be unwise to use only one channel to communicate with their customers as the channel might not be convenient for everyone.

To summarize for the second research question, below are terms which can be said to be valid when it comes to the management of customer relationship in e-business from fashion companies’ perspectives.

- Cross-selling and up-selling
- Customer retention
- Behavior prediction
- Event-based marketing
- Knowing what CRM is and what it is not
- Top management involvement
- Keep it simple
- Sending e-mail
- Multi-channel contact

6.1 Discussions

We choose this topic because we thought it would be interesting to know how e-business organizations use CRM in helping their businesses and especially managing relationships with customers, as e-business customers are not traditional business customers’ organizations. To research this topic, we did put a lot of efforts in order to succeed. Though we finally succeeded, we would still like to share some thoughts and maybe difficulties we encountered. When it comes to literature review, we would have preferred having other references. Bradshaw and Brash (2001) are highly present in our thesis; this is because there are just a few research in this area of study. However, we concluded on using them in our thesis because their articles are well represented and referred to in CRM literatures. The qualitative approach was most suitable for our study due to that it provided deeper understanding of our research topic, something a quantitative approach could not. Using a quantitative approach, the characteristics of the empirical findings would have been different and we might have discovered other aspects and come to different conclusions. With the data collection method we have chosen, we thought it would be easy to get companies for interviews. To our amazement, this was not the case. We only came across just a few companies that were willing to grant us an interview. Since this few companies were willing to participate, we thought we would still get answers to what we were asking, to our disappointment, only one company
from the few matched our criteria. We only needed a B2C company, most of these companies were also into B2B, this is not what we want, and so we had to start all over again to contact companies. However, at the end, we were successful in finding the companies that matched our criteria. Our interview method, semi-structured telephone interview, suited our thesis well and it would have been difficult to fulfill our purpose using a different method.

During the course of interpreting and analyzing the data, we noted that if we had time, it would have been interesting to gather data from at least one company each located in North America, Australia, Africa and Asia in order to see how they use their CRM and to know whether the data would correlate with the ones we got from Europe.

6.2 Suggestions for Future Research

In the course of our research, some suggestions for further studies popped up on our minds. One of our findings was that it would be interesting to use participant observation as a data collection technique. These involves the researches participating in an organization’s interaction’s process with the key personnel working with CRM in order to find out how it is used in real life to help customers. We also think it would be good to gather data from companies located in different parts of the world, in order to compare and make some generalizations.

Lastly, we found another interesting research area for further studies, which is investigating Customer Relationship Management in a B2C e-business organization from a customers’ perspective, this would be an interesting topic so as to know how customers perceive this e-business organizations.

Acknowledgements

We would like to use this opportunity to express our appreciation and gratitude to the people without whom we would not have been able to make this study a success.

First, our special thanks go to our families and friends who have supported us through our three years of studies, and saw to the successful completion of our work.

We are grateful for having had an inspiration in the person of Vivian Vimarlund as our supervisor, whose incessant support, in the form of providing suggestions and feedbacks made this thesis a success.

Lastly, our profound gratitude goes to the anonymous respondent from Everything5pounds.com fashion retail chain and Magnus Axelsson from Ellos.se. Answers to our questions would not have been generated without your help, thank you for sparing us your valuable time.
List of references


Appendix

Appendix 1

Interview guide

General Information

Company background:

Name of the Interviewee:

Position in the firm:

What is the current corporate view on CRM (is it implemented, being built or being planned)?

When did your company start to embark on customer relationship management (That's if it's implemented already)?

Research question 1

1. How would you describe CRM objectives?
2. Does your organization have any CRM objectives? If no, why? If yes continue.
3. What is/are your organizations CRM objectives?
4. Could you please describe specifically the main reasons why your organization decided to embark on CRM program
5. Why is/are these objectives important for your organization?
6. How would you rate the following CRM objectives from your organization's perspective in terms of Cost saving objectives:
   • Decreased general sales and marketing administrative cost
   • Reduce cost of sale
   • Increased sales representative productivity
In terms of revenue enhancing objectives:
   • Win rates
   • Better Information for better management
   • Acquiring new customers
   • Secure service
In terms of strategic impact objectives:
   • Improved customer satisfaction rates
   • Improve global forecast and pipeline management
   • Service helps organizations to delight customers
Appendix

- Service helps organizations differentiate their products
- Improving channel management
- Establishing relationships with customers
- Building an attractive virtual community

8. Is there anything you would like to add related to the objectives of CRM?

Research question 2

1. Describe your organizations CRM initiatives?
2. Why is/are you conducting this/those initiatives?
3. How important are the following initiatives for your organizations?
   - Cross-selling and up-selling
   - Customer retention
   - Behavior prediction
   - Customer profitability and value modeling
   - Personalization
   - Event-based marketing
4. What is/was of importance for your organization when implementing CRM?
5. Could you please tell me why this was of importance to your organization?
6. How important are/were the following factors when implementing CRM?
   - Knowing what CRM is and what it is not
   - Top management involvement
   - Educate and involve Staff
   - Integration of CRM systems
   - Looking at the big picture
   - Keep it simple
   - Outsourcing
7. Which or what communication channels do your organization use for customer interaction?
8. Why do you use this/those communication channels?
Appendix

9. How important are the following communication channels for your organization?
   • Web chat
   • Web callback
   • E-mail
   • Telephone
   • Mail

10. If your organization use more than one communication channel, are they integrated? If yes, why? If no, why not?

11. Is there anything you would like to add related to how your organization manage customer relationship?