STUDY OF THE OBSTACLES TO SET UP ELECTRONIC CUSTOMER RELATED
MANAGEMENT (E-CRM) IN BRANCHES OF BANK TEJARAT, MAZANDARAN

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ABSTRACT

This research is descriptive - survey and the applicable. A researcher made questionnaire was used to collect data. 96 people have been selected from among the population as the sample using stratified random sampling and Cochrane formula. Validity of the questionnaire was confirmed by experts and faculty members. The questionnaire's reliability was equal to 72 percent using Cronbach's alpha coefficient, which is calculated using SPSS software. Overall, all of the hypotheses were accepted with high significance level from the analysis results of the research hypotheses.

KEYWORDS: E-CRM, Cochrane formula, SPSS software

The directors of the current organizations found out that they cannot continue their lives within the competitive atmosphere regardless of the customers' needs and without establishing a deep and sustainable relationship with the customers. This has made the directors look for new ways to strengthen the relationship with their customers and provide more resources in this way both for the customers and for the organization. Customer Relationship Management (CRM) is a comprehensive business and marketing strategy that integrates the technology, the process and all the business activities as far as customers are concerned [1,2]. This strategy often concentrates on customer business and maintenance and it results in productivity [3, 4]. The rapid growth of electronic business and increased services based on internet has coined a new concept called e-CRM. This concept consists of the required processes to overcome, create and maintain relations with the customers through electronic business activities (e-CRM) which mainly relies on the processes based on web or internet among the companies and their customers [5].

Starting to use web commercially, e-CRM was attended by the jobholders [6,7] and researchers increasingly [8]. These altogether show the positive effects of e-CRM on the customers' satisfaction. In fact it is necessary for the organization to coordinate themselves with the constant changes of the environment to maintain survival and sustainability and in other words to cover one organization looking at future and relying on the current market and knowledge and to provide the users with the necessary information in a timely fashion. This is one of the useful tools that the organizations use it to increase their abilities, to improve performance, to make better decisions and to achieve the competitive advantage.

EXPRESSION OF THE ISSUE

Nowadays, the customer-centered culture substituted the product-centered culture in all the successful banks of the world because the advantages to present financial services have become ineffective due to the existence of similar services and the variety of services and attaching value to the customers and their needs is found to be the most effective method to compete in the market [9]. For this reason, many organizations have accepted CRM as a fundamental principle of management. The researches show that about 35% to 75% of the CRM programs have failed [10,11] and even in some instances, these programs might have damaged the relation between the organization and its customers. Low-quality data and low performance in data integrity, undermining the complexities and commercial processes, unsuitable integrated systems, distrust and shortage of relevant knowledge are among the factors of failure in these projects [12]. There is mainly this idea in the organizations, particularly the banks that CRM merely means a set of IT products and this issue leads to failure to implement CRM. To get the CRM projects succeed, a change to this perspective is required and a perspective beyond IT implementation in the organization is required [13]. It is also a complicated issue that consists of different organizational aspects and it cannot be reduced to only one of these aspects and requires a comprehensive

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look at all the aspects of CRM. A systematic look enjoying being customer-centered as well as integration of technologies will place CRM in the heart of the organization [14]. Since CRM is a modern concept in IT industry, implementation of an efficient e-CRM system will cause meeting the customer’s requirements quickly and subsequently increases the customer’s satisfaction. Implementing E-CRM will make the relevant information to the customers available to all the staff of the bank comprehensively and similarly so that the customer does not need to go through different phases in order to receive its services and this will prevent dissatisfaction. For this reason, study of the obstacles to implement e-CRM and its qualities to promote attraction activities and customer maintenance is considered to be the main objective of the study.

IMPORTANT AND NECESSITY OF THE STUDY

Customers are the secret of success for every organization and any type of economic and commercial activity. The credibility of a successful organization is built on the basis of a long-term relation between that organization and its customers. Belief and abidance by the principles to be customer-centered, attracting the satisfaction of new customers and maintaining the old customers are the main aspects of the success of an organization [15]. Most of the organizations have found out that more contact with the customers is a necessity for the survival of the company in a competitive business atmosphere which is inevitable. The change to the approaches of the organizations from being product-centered to customer-centered is a fact that has changed the commerce and marketing environment in the recent years. This issue has made the directors look for new ways to strengthen relationship with their current customers and provide more benefits both for the customers and the organization. In fact CRM and e-CRM could assist the directors of the organizations to materialize this important issue. The main idea of e-CRM is to help these firms use human technology and resources to obtain a better perspective with regard to commercial and value behaviors that each customer creates for the organization. If one e-CRM system could perform in compliance with a high idea, the capable organization could present better services to the customers, increase the productivity and efficiency of the telephone contact centers with the customers, assist the employees to attract the customers more rapidly, facilitate the sale and marketing processes, find new customers for themselves and ultimately increase the bank’s financial turnover and the number of their customers. That is why one could understand easily the significance and necessity of this issue in the banks. It has been tried in this study to present a framework within which the banks and organizations could make the best of this issue [16].

RESEARCH OBJECTIVES

The main objective of this research is to study the obstacles to implement e-CRM in branches of Bank Tejarat, Mazandaran to materialize the following objectives in this direction:

- To study the e-CRM qualities to promote the quality of customer-centered objectives.
- To study the e-CRM qualities to promote the quantity of customer-centered objectives.
- To study the e-CRM qualities to promote the quality of activities to attract customers in different groups of customers.
- To study the e-CRM qualities to promote the quality of the role of provision of services to customers remotely.
- To study the e-CRM qualities to promote the quality to accelerate and facilitate provision of services to customers.
- To study the e-CRM qualities to reduce the complaints by bank customers.

THEORETICAL FUNDAMENTALS AND BACKGROUND OF RESEARCH

The concept of managing the relationship with the customer

There have been several definitions to manage the relationship with the customers that are mentioned accordingly.

Key-Note expresses that the concept of managing the relationship with customers is in connection with developing a customer-centered organization that satisfies the customers’ needs and experiences continuously [17]. CRM is also called to be using the IT to implement communicative marketing strategies [18]. Another definition finds CRM covering all the parameters that are connected to the customer within an organization and in an intelligent fashion. Customer management
processes connect all these parameters together by backing up the operational and technological roles of businesses. A group calls CRM a strategy and some others call it a set of technologies and processes, and some other hands find it as a set of information systems [19]. Elsewhere, CRM is not a product or service, but a commercial strategy that enables the companies to run an effective management of relationship with the customers [20]. But what is common among all the existing definitions made of CRM is an agreement with its main parts. Management of relationship with the customers consists of three parts: Customers, Relationships and Management. What is meant by customers is the final consumer that has a supporting role in value-creating relationships. What is meant by relationships is to create faithful and useful customers through teaching relationships. Also on the basis of studies of Gartez group, management of relationship with the customer could be divided into two parts: Firstly management of relationships with customers is a business strategy that surrounds the organizations to be vanguards through customers or in other words to be customer-centered. Secondly, it is a powerful tool to deliver values and profitability to customers through understanding their needs and pre-requisites [21].

Definition of e-CRM

Philip Cutler, the famous expert in marketing finds e-CRM as a part of the business concept that describes using tools and electronic platforms to guide the companies’ affairs and enables the institutions to serve their customers more rapidly and precisely within the vast time and space scopes and with less costs to be able to meet orders and privatize the goods and services to the customers [22]. Management of relationships with the customers relies on maintaining a profitable relationship with the customers through the possible con nation routes. Rapid growth of internet and vast use of it has created new opportunities and challenges to use this concept and business. The term e-route. This connection route has the following known qualities [23]:

- 7*24 full time access, i.e., lack of dependence on time or its permanent access or self-service systems.
- Creation of communication in every place and distance.
- Rapid and cheap access to information
- Cheap and individual-related interaction
- Advantages to manage e-CRM

The privileges of e-CRM management

Zugas and Kirsi described the privileges of e-CRM management in table No. 1 [24]:

Table 1: Advantages of E-CRM

<table>
<thead>
<tr>
<th>A. Tangible benefits</th>
<th>B. In-tangible benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase of income and productivity</td>
<td>Increase of customers’ satisfaction</td>
</tr>
<tr>
<td>Reduction of internal costs</td>
<td>Improved presentation of services to customers</td>
</tr>
<tr>
<td>Quicker execution</td>
<td>To create mouth to mouth promotions</td>
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<tr>
<td>Higher productivity of human workforce</td>
<td>To unite business processes</td>
</tr>
<tr>
<td>Reduction of marketing costs</td>
<td>Management of closer contact</td>
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<tr>
<td>To increase customers’ attraction rate</td>
<td>Increased effectiveness of classifying customers</td>
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<tr>
<td>To protect investment in marketing together with maximum yield</td>
<td>To make precise targeting and to determine target customers</td>
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<td></td>
<td>To better understand the customers’ needs and requirements</td>
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</tbody>
</table>

Process to Implement CRM

Customer Relationship Management has stages to materialize their determined objectives that were raised from different viewpoints. One of these theories is the CRM Life Cycle Model as far as Kalakuta is concerned that consists of three stages, namely, attraction, quality service and maintenance. Each stage supports the knowledge and understanding of the relationship between the firm and its customers. This theory expresses that each stage affects the relationship with the customers in
different ways so that strategies and concentration of the organization is different from each stage to the other [25]. Of the other theories about CRM processes, Swift Model could be named. According to this model, the swift process cycle consists of the following stages:

- To identify knowledge: Analysis of customers’ specifications and investment strategies which takes place by identification process, classification and forecast of the organization customers.
- Interaction with the customers: Execution and management of relationship with customers through relevant information in correct time and presentation of products using scopes of channels to interact.
- Market programming: To define the distribution route and the products presented to special customers, to compile plans and strategic relationships.
- Analysis of purification: To aim at attracting and analyzing the customers’ data through relationships that the organizations have gained out of their routes to interact [26].

**Key factors to succeed in implementing CRM strategy**

Implementation of a successful CRM strategy in strategic management of a company’s internal market, having the above advantages depends on the following three key factors:

- Teaching the staff of the organization: The staff of an organization should take specialized and applied training courses to interact and contact with customers in order to be able to establish contacts with the customers effectively and meanwhile have the required ability to use the new technologies.
- Review of processes and design of new processes: The firms cannot achieve their objectives without good and logical design of processes. The company should define its commercial needs and objectives and improve and develop the processes related to CRM in order to achieve these needs. Business Process Re-engineering or BPE is one of the efficient tools in this section.
- Using modern technologies: Using CRM requires changes to be made to the infra-structures of the organization and using new technologies such as new work regulations, data banks, IT, etc., i.e., such changes lead to useful and effective changes in the organization [27].

**RESEARCH HISTORY**

A study was conducted by MsBanafshehBehi to present a framework to design the CRM software and concluded that the customers play a key and very important role in the economic areas of the world because their increased awareness in all aspects of the products market and access to abundant information and different channels to present and distribute goods to select a product has caused less faithfulness toward the suppliers and for this reason, the issue to establish relationship with the customers and maintain a long-term relationship is the most important issue effective on stability and consistence of companies to encourage more productivity competition among them.

A summary of the most important conducted studies about research could be described as follows:

In a study conducted by MajidMirvesi under the title of ‘assessment of the effect of being customer-centered of the staff of banking industry on customers’ satisfaction in 2007’, four major factors were studied in most of the service organizations determining the level of being customer-centered of the staff face to face and these factors are as follows: social skill, technical skill, incentive, decision-making, being customer-centered of the service staff which affects the high level of customers’ satisfaction, commitment and their re-purchase.

A study was conducted by HosseinAliSoltani in 2005 under the title of ‘assessment of the relationship between the expected value by the customer and the management’s performance with regard to the customer’ (CRM) as the exclusive agent of LG monitors. They concluded that lack of management understanding is one of the most obvious obstacles to assess the performance of Customer Relationship Management.

A study conducted by ToktamSaghaei under the title of ‘study of effectiveness method to understand the quality of services on customers’ satisfaction’, Geroun Rose quality services model which was presented in the banking services by Bank Tejarat in KhorasanRazavi province in 2007 confirms the new studies of 2007 to understand the quality of services as one of the important factors that create satisfaction in the customers of service organizations.
Another study that was conducted by Ms Zahra Kahtarpour Farimani under the title of ‘Study of assessing the customer’s satisfaction using Kano revised model in electronic banking services industry’ found out that the companies do not merely need to attract new customers to maintain long-term profitability and competition, but they have to concentrate on improvement of the commercial relationships between the old customers and the company so that this issue results in gradual increase of their purchase and protection of faithful customers.

**Research Hypotheses**

1. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality of customer-centered objectives.

2. There is a positive and significant relationship between the e-CRM qualities and promotion of the quantity of customer-centered objectives.

3. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality of activities to attract customers in different groups of customers.

4. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality of the role of provision of services to customers using connecting ways.

5. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality of the role of provision of services to customers remotely.

6. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality to accelerate and facilitate provision of services to customers.

7. There is a positive and significant relationship between the e-CRM qualities and promotion of the quality to provide user-friendly mechanism to register the customers’ complaints.

**RESEARCH METHODOLOGY**

The current study is of descriptive-measurable type and is of applied type as far as its objective is concerned. The common sampling method in library methods was used to collect information to refer to the raised scientific hypotheses and theories. Field information was also collected following designing the questionnaire and distributing it for statistical sampling.

**Statistical Group and Sample of the Study**

The statistical society in question to conduct this study was all the staff of Bank Tejarat, Mazandaran province. The used sampling method in this study was classified as a type of sampling method and the simple random method was used within the classifications. Ultimately 120 questionnaires were distributed out of which 96 questionnaires were adopted as the basis in the final analysis. It is worth mentioning that due to personal engagement of the researcher in the process of collecting information, the feedback rate was 80%.

**Tool to Collect Data**

The initial tool to collect data in this study was the questionnaire extracted from a review of theoretical literature. The first part of the questionnaire consists of general and demographical questions of the respondents. The second part consists of 18 specialized questions. The questions were arranged in the 5-option scale of Likert from 1 (very low) to 5 (very high).

**Validity and Reliability of Data**

The validity of the designed questionnaire in this study was confirmed by some of the university professors, experts and marketing management specialists. Cronbach’s Alpha coefficient was used to assess the reliability of the questionnaire. The result was obtained through distribution of 25 questionnaires in form of a pre-test and calculation of Cronbach’s Alpha coefficient using SPSS software that was calculated to be 0.72 and was acceptable.

**Method to Analyze the Data**

The findings of the study in hand were in form of descriptive and inferential findings. Mean and average tables were used for the variables under study as far as descriptive findings were concerned. K2 Square test was used to study the relationship between the variables as far as the inferential findings were concerned.

**CONCLUSION AND DISCUSSION**

**Findings of the Study**

97.3% of the respondents were men and the rest of them were women as far as demographical findings were concerned. 4.1% of the respondents held secondary education certificate, 82.3% held Bachelor’s degree and 13.6% held Master’s degree as far as the educational level was concerned. Also 60.5% held degrees in accounting,
19.7% held degrees in management, 9.4% held degrees in computer and 10.4% held degrees in other majors as far as the graduates’ majors were concerned.

In order to study the hypotheses 1 to 7, the variables in the entire hypotheses were of qualitative type. Thus in order to study the relationship between the significance or non-significance of tests, the certainty level of 95% was applied. The zero hypothesis stresses on the lack of effect of e-CRM quality to promote the aspects and dimensions under study.

Since the significance level in all the above cases is less than 5%, the zero hypothesis could be rejected at certainty level of 95%. Therefore, the result will be that e-CRM qualities are effective to promote the seven-fold factors of promoting quality and quantity of customer-centered objectives, quality of activities to attract customers, quality of the role to present services to the customers through communication ways, the quality of the role to present services to the customers remotely, the quality to accelerate and facilitate provision of services to the customers and the quality to provide a user-friendly mechanism to register the customers’ complaints with the bank.

**CONCLUSION**

Considering the obtained results, we concluded that the key to growth of business lies in its successful relationship with the customer. Among the important trends to establish a valuable relationship with the customers are the following: speed of presenting services, self-service (the customers’ own activity in internet to handle their affairs), Integration, ease to use and attract customer’s satisfaction. Increased speed to present services will increase the customers’ expectations to receive more services. Thus the applied tools of services should be used easily and have a comfortable and friendly atmosphere. The customers avoid having slow and difficult businesses. They usually like self-service systems better. The customers’ inclination and interest in self-service is extraordinary in service organizations, but before self-service could turn to reality, new infrastructures should be created and new protocols should be designed. Hence, integrity of processes will be an essential issue. Self-service creates changes in business trends where the customers could connect to a central reservation system through the network and could perform in a more quickly and suitable manner to perform their desired affairs. This will enable the organizations to improve the process of presenting services. We concluded that organizations need using applied, integrated and comprehensive tools to cover the entire relationship which is established with the customers. Integrated ways and services are considered as the essential and vital parts of each business strategy. The customers need to present integrated services when saying good bye to the businesses to cover their singular needs and to facilitate the decision-making process for them. The banks have to reduce the processing time among search, selection, receiving order and implementing it with the emergence of new trends in operations where the online services are shown in order to succeed. The banks should share the issues related to serving the customers with all the people who are in contact with the customers in a way or another. They should create a single point of contact with the customers instead of sending the customers from one section to another.

**REFERENCES**


